

Procurement in schools and trusts

Guidance for governing boards

Updated September 2026

Effective procurement ensures that the goods and services schools need are of the right quality, quantity and price, delivered at the right time. Procurement is conducted by business professionals and other school leaders and is bound by legislation and regulation.

All governors and trustees should take an interest in procurement; however, the governing board will likely delegate their responsibilities relating to procurement to a finance and resources related committee. This guidance is intended to help boards ensure that their organisations secure good value for money and follow a fair and transparent process when spending public money.

This guidance was produced in partnership with the Department for Education (DfE).

Why procurement matters

Effective procurement links to the board's wider financial oversight through:

- **Strategic decision making** – ensuring purchasing decisions align with the board's [strategy](#) for the school or trust and its educational goals.
- **Planning for financial sustainability** – ensuring procurement practice optimises the use of available resources and continues to deliver value over time.
- **Financial probity** – ensuring compliance with public procurement regulations and procedures coupled with public standards of accountability.
- **Managing risk** – to avoid issues such as
 - non-compliance,
 - supplier dependency,
 - disruption to critical services, or
 - contractual disputes and penalties.

Effective procurement does not always mean securing the lowest price; the process should also consider quality, technical requirements and the needs of pupils and other stakeholders. For example, considering the nutritional content of pupils' meals when procuring a catering service.

1. How procurement works

Stages of procurement

Good procurement practice requires schools to work through various stages depending on the value and complexity of the purchase. This helps to ensure probity and minimises the risk of costly mistakes. The stages are not necessarily sequential and include:

Stage	Activities
Plan	- Obtaining market knowledge through pre-market engagement - Needs analysis
Define	- Business case, options appraisal and/or rationale for purchase - Specification (description of requirements) - Purchase options
Procure	- Comparing quotes and tenders (cost and delivery of requirements) - Awarding a contract and payment - Ordering
Manage	- Managing supplier relationships - Contract management and handling any changes - Measuring the effectiveness of the purchase during its life

Reviewing procurement procedures

Procurement rules and procedures set by the school, trust or local authority as appropriate are integral to the process and the board's oversight of it.

Procedures must comply with procurement law – specifically the Procurement Act 2023, the Procurement Regulations 2024 and the Public Contract Regulations 2015 in certain circumstances ('**Procurement Law**') – as well as the government's strategic priorities as set out in the [National Procurement Policy Statement](#).

All schools and trusts need to ensure that their policies and procedures are compliant with Procurement Law (for maintained schools, this will likely be supplied by the local authority) and set out:

- what needs to happen at each stage of procurement
- who is responsible for what at each stage, including the separation of duties between staff responsible for making purchasing decisions and making payments
- threshold values and requirements, including when to obtain written quotations and tenders for procurements above and below statutory thresholds, which may be internally agreed or set by a local authority as appropriate
- which Notices are required

We recommend that boards review procedures annually, and establish:

- how they align with finance policies, the risk register and (in academy trusts) the scheme of financial delegation
- how they support effective procurement practice
- where they were sourced from and whether they have been adapted
- how relevant staff are made aware and trained to follow them
- how they are reviewed, kept up to date and remain compliant

Compliance with financial controls

All schools and trusts will follow internal control, risk management and assurance processes. This helps to ensure regularity and propriety in the use of funds and reduces the risk of fraud.

Governing boards should ensure their organisation has suitable financial controls in place for procurement. Controls relating to procurement include:

- approval hierarchies (separation of authority to review and approve purchases)
- supplier verification
- purchase order controls
- prevention of duplicate or fraudulent payments

These will be set out in relevant policies and procedures, and assurance provided through internal scrutiny or audit arrangements.

Managing related party transactions

Related party transactions (RPTs) are those that can be controlled or influenced by one of the parties involved in the transaction. For example, when key staff or those governing, their close family members or business partners are associated with a purchase.

While schools and trusts are permitted to carry out RPTs, they must clearly demonstrate value for money and be managed appropriately through open and transparent procedures.

Local authority-maintained schools must declare and record any RPTs through their annual [schools financial value standard](#) response. Academy trusts are required to [declare and seek approval](#) from the DfE for certain RPTs.

Schools and trusts should also be aware of the potential conflicts of interest that can result from RPTs and the legal requirements set out in Procurement Law to identify, review and mitigate actual or perceived conflicts of interest for 'covered procurements'. See [government guidance on conflicts of interest](#) for more information.

2. Approving purchases

In practice, the board's role is focused on:

1. **Approving purchases over the amount delegated to executive leaders** before the purchase is made. The amount delegated will vary – for example, the headteacher of a medium-sized primary school might be able to spend £10,000 without board approval.
2. **Ensuring requirements for a competitive tendering process are followed, or buying from suitable Framework Agreements**, when the anticipated contract value exceeds a [public sector threshold](#).

Significant purchases, contracts and projects are managed more formally and therefore require greater scrutiny. This primarily involves the board or committee:

- examining the business case or rationale for the purchase,
- appraising options, and
- seeking assurance that all processes, procedures and regulations have been properly followed.

Use professional advice

Governors and trustees should seek the advice of those with commercial capability and an understanding of the procurement process, such as business professionals and school or trust staff with specialist procurement roles.

Get help buying for schools

Governing boards should encourage their school or trust to use '[Get help buying for schools](#)' – a free service delivered by the DfE. This impartial service provides general guidance on procurement and [specific support on buying certain goods and services](#). Their team of experts will help your school or trust to:

- use DfE approved frameworks which cover a range of goods and services – you can be assured of compliance with Procurement Law when buying through here
- enter better value commercial deals and save money
- build commercial capability to deliver future procurement
- help you run more complex or high value procurements

What to look for in a business case or rationale for purchase

A good business case/rationale should set out and prompt questions on:

- why procurement is necessary and a priority
- how it supports the organisation's strategic priorities and educational goals
- alignment with the values of the school or trust
- measuring impact/outcomes, social value and the cost-benefit of the procurement
- other options, such as in-house delivery, joint purchasing, loaning items or sharing resources

- relevant stakeholders and how they will be involved in the procurement process
- any risks and how they are going to be mitigated/managed, including how due diligence will be carried out on the businesses bidding for the contract, for example, on their commercial viability and compliance with safeguarding requirements
- who in the school/trust has the knowledge and skills to conduct the procurement effectively
- the nature of data being processed including if personal data is impacted: the controller-processor relationship, cyber and physical security considerations, and the need and right to transfer data between the parties

Scrutinising the business case/rationale

The principles of best value, known as the four Cs, provide a useful point of reference.

- **Challenge** whether the school/trust needs the goods or services they want to procure.
- **Compare** with how a similar school/trust procures goods or services.
- **Consult:** what do relevant stakeholders want?
- **Compete:** has the marketplace been explored?

Exploring sustainable options

Alongside educational outcomes, affordability and value for money, governing boards are increasingly making [environmental sustainability](#) an organisational priority. Including an environmental impact assessment in the business case, when it is appropriate to do so, promotes purchasing decisions that save money and reduce carbon footprint. Opportunities may include:

- energy efficient heating and lighting
- sustainable waste management systems
- a reduction or phasing out of single-use plastic
- reducing emissions caused by the supply chain

Ask if sustainable procurement options are the first choice, then explore:

- the environmental impact of specification, supply and delivery, and how this may be reduced
- alignment with your organisational priorities and [climate change action plan](#)

Delivering social value

Procurement Law emphasises the need to have regard to maximising the public benefit when purchasing. This includes delivering procurements that benefit the community and environment and that improve social wellbeing. The board is responsible for monitoring and assessing the achievement of these wider societal objectives, and can consider asking questions such as:

- Have we engaged our wider community when planning strategic purchases?
- Are we incorporating social value objectives into our evaluation criteria where appropriate?
- How do we ensure our suppliers adopt high ethical standards, eg fair working practices?
- Do our procurement outcomes support our local communities, such as creating jobs or supporting small local businesses?

3. How to influence effective procurement

Promoting procurement skills and understanding

Governing boards should receive assurance that everyone involved in procurement understands their role, responsibilities and level of delegated authority. The board should consider staff capacity and capability when identifying strategic goals for building skills and expertise and ensure that it receives sufficient investment to deliver the best value for the organisation. Relevant CPD might include accredited training courses, coaching and peer support networks.

Investing in procurement capability can drive financial efficiency and revenue generation. The investment needed will vary – for example:

- **Standalone schools** may create a business professional role at senior leadership level, with significant responsibility for procurement (which exceeds the financial investment in the role).
- **MATs may invest in the trust's central team**, creating a head of procurement role to deliver efficiencies and implement policies across the trust as well as supervise day-to-day commercial activity.
- Schools and trusts can also buy-in **third party expertise** to support with specific purchases.

The need for particular procurement expertise should always be proportionate to the complexity and risk profile of what you are buying. We recommend that boards explore options with their executive leader, including whether additional procurement expertise could be used to support other schools and/or to generate income.

When recruiting new governors or trustees, consider looking for someone who has commercial and/or procurement knowledge and expertise if the board has identified skills gaps in this area. You could also consider appointing a specialist to a relevant committee, either as an associate member in a maintained school or a non-trustee committee member in an academy trust.

Focusing on contract management

Effective contract management ensures that an organisation receives the agreed level of service and can also ensure achievement of the expected value for money and social value outcomes. The approach will vary depending on the nature of the contract – we recommend that boards gain insight into the way contracts are managed in their school or trust, particularly communication with the supplier to monitor performance and resolve any issues.

It is good practice for schools and trusts to maintain a central contract register and for the board to routinely review this in order to challenge plans for contract review. This should focus on the objective of the contract, whether it is meeting the needs of the school or trust, achieving value for money and ensuring compliance.

Effective contract management will also ensure your organisation is able to use existing contract expiry dates to prepare for re-procurements of priority contracts. This can help avoid situations where contracts are extended because renewal dates have been missed.

You may wish to consider who manages contracts across your organisation (this could be one or multiple people) and whether they have had the training they need to be able to carry out their role effectively.

Encouraging collaboration

Collaboration supports effective procurement in terms of achieving advantages of scale and learning what works well and represents good value. You may wish to explore the following with your school or trust:

- opportunities such as sharing teaching resources or bulk-buying equipment
- the potential benefits of amalgamating contract requirements across a number of schools to make it more desirable to the market
- potential challenges and risk management
- who leads this work and the support they need in terms of training and specialist knowledge

Ask your school business professional or chief finance officer (CFO) about how they engage with collaborative purchasing arrangements in their region and with their [professional networks](#).

Key actions for the board to take

- ✓ Confirm who leads on procurement decisions in your school or trust.
- ✓ Review any procurement skills gaps on your governing board.
- ✓ Find out where approval responsibility for different spending thresholds lies.
- ✓ In a MAT, check to see what is delegated to local level.
- ✓ Ensure procurement policies and procedures are up to date and compliant.
- ✓ Review the contract register.

Advice and resources

In addition to [Get help buying for schools](#), boards should both highlight and encourage their school or trust to make best use of a range of resources, including:

- [Reducing procurement risk: good practice for academy trusts](#)
- [advice on buying procedures and procurement law](#)
- [procurement advice for governing boards](#)
- [tools for financial benchmarking](#)
- [school resource management advisers](#)
- [Schools financial value standard](#) (for maintained schools) and [schools resource management self-assessment checklist](#) (for academy trusts)
- [government contract management professional standards](#)
- training, such as [Contract Management Foundation Training](#)
- [guidance on wider training and development available to school business professionals](#)