



POLICY ON PROCUREMENT AND TENDERING

1 Policy rationale

In accordance with its duties under the Academies Financial Handbook, the Trust must ensure that:

- spending has been for the purpose intended and there is probity in the use of public funds
- spending decisions represent value for money
- internal delegation levels exist and are applied within the trust
- a competitive tendering policy is in place and applied, and Official Journal of the European Union (OJEU) procurement thresholds are observed
- relevant professional advice is obtained where appropriate

2 Quotations and Tendering

The minimum required numbers of tenders or quotations from appropriate contractors for a given estimated value of contract are:

1. Above £1,000 and up to £5,000, two written quotations;
2. Above £5,000 and up to £25,000, three written quotations;
3. Above £25,000 and up to EU thresholds, open to tenders; to be submitted in writing by a specified date and time and based on a written specification and evaluation criteria;
4. Over EU thresholds, open procedure for tenders.

The values are for single items or groups of items, which must not be disaggregated artificially.

The sterling equivalents of EU thresholds (net of VAT) are £181,302 from 01/01/2018 for supplies and services¹, and £4,551,413 from 01/01/2018 for works. The sterling equivalents are changed on 1 January of each even-dated year.

For tenders expected to exceed EU thresholds, advertisements must also be placed in OJEU (Official Journal of the European Union) and must follow EU procurement requirements with particular regard to be given to the timescale for such tenders.

3 Procedures

1. All purchases with a value greater than £25,000 must be put out to formal tender. The below protocols must be followed in such circumstances.
2. It is anticipated that for any major building works of a value greater than £50,000, the services of an architect would be engaged to deal with the handling of specifications and suitability to tender. Where appropriate, the suppliers invited to tender should be drawn from an approved list or from those agreed with the architect.
3. In the case of building works, where the tendering process is being carried out by the architect or quantity surveyor, they will be responsible for checking the documents of the lowest tender before making a recommendation to the academy.
4. Once a tender is accepted an order should be issued immediately to the supplier in the normal way.

4 Protocols for formal tenders

1. A written specification will be prepared, authorised by the chair of the relevant committee and CEO and sent to at least three suppliers and posted on Contracts Finder².
2. The written specification shall include:
 - a) the title of the project
 - b) an introduction/background to the project;
 - b) the scope and objectives of the project;
 - c) any technical requirements;
 - d) implementation details for the project;
 - e) the terms and conditions of the tender, including any minimum requirements for the financial standing of the supplier; and
 - f) the form and date of response to the academy, or in the case of building works, to the architect or quantity surveyor.
3. All replies, if to the school, should be addressed to the Head of Finance in a plain sealed envelope marked 'Tender' to reach him/her by a specified date. All replies must be kept sealed until that date and passed to the chair of the relevant committee.

¹ except certain social and other specific services listed at Schedule 3 of the Public Contracts Regulations 2015, for which the threshold is £615,278

²

4. All tenders will be opened at the same time and details of the contractor, quotation and any other details recorded at the time of opening.
5. No contractor will be allowed to amend the tender after the time fixed for receipt.
6. The Head of Finance will open a separate correspondence file for each tender which will contain copies of all correspondence or other relevant information.
7. All correspondence with prospective suppliers shall adhere to the principles set out in section 3.
8. Where expenditure is not included in the budget or anticipated expenditure exceeds the budget allocation, the decision as to which tender to accept will be taken by the finance committee.
9. The reasons for accepting a particular tender must be documented, especially if it is decided to accept other than the lowest tender.
10. Letters of rejection and thanks should be sent in reply to unsuccessful tenderers.

3. Acceptance of Tender

The following principles and checklist of assessment criteria will be considered when deciding which tender to accept:

Principles

1. Value for Money, defined as achieving the best possible educational and wider societal outcomes through the economic, efficient and effective use of resources, the avoidance of waste and extravagance, and prudent and economical administration.
2. Equal treatment of Tenderers
3. Non-discrimination between Tenderers
4. Transparency as to assessment criteria
5. Mutual Recognition of Tenders
6. Proportionality as to the application of assessment criteria

Checklist

1. The overall price over the life of the project and the individual items or services which make up that price.
2. Whether there are any 'hidden' costs; that is additional costs which the academy will have to incur to obtain a satisfactory product.
3. Whether the Tender indicates scope for negotiation
4. The qualifications and experience of the supplier, including membership of professional associations.
5. Compliance with the technical requirements laid down by the school.

6. Whether it is possible to obtain certificates of quantity.
7. The supplier's own quality control procedure, pre sales demonstrations, after sales service and, for building works, a six month defects period and insurance guarantees.
8. The financial standing of the supplier.
9. References from other establishments.
10. Understanding and compliance with health and safety, CDM regulations and Child Protection issues related to working on a school site.

The successful contractor should be informed that the school is a NON SMOKING site.

The Schools' Funding Agreement should be considered when applying this policy

4. Policy Review

This Policy will be reviewed by the Resources Committee on a 3-yearly cycle and must be signed by the Chair of the Local Governing Body and Headteacher.

Reviewed by Stone King April 2019
Approved by the Trustees April 2019
Next Review: April 2021