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# **Tendering & Procurement Policy**

2024 – 2025

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## STATEMENT OF INTENT

Eggar's School 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 the Public Contracts Regulations (PCR) 2015 and The Public Procurement (Agreement on Government Procurement) (Thresholds) (Amendment) Regulations 2021, are consistently applied. The 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, as the academy has had previous positive interactions with these suppliers. 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 the academy's financial affairs.

## **1.0 LEGAL FRAMEWORK**

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

- The Academies Act 2010.
- Equality Act 2010.
- The Public Contracts Regulations 2015.
- ESFA (2021) 'Academy trust handbook 2021'.
- DfE (2020) 'Governance handbook'.
- ESFA (2021) 'Declare or seek approval for related party transactions: summary guidance'.
- HM Treasury (2012) 'Review of the tax arrangements of public sector appointees'.
- DfE (2022) 'Buying procedures and procurement law for schools'.
- The Public Procurement (Agreement on Government Procurement) (Thresholds) (Amendment) Regulations 2021.

This policy operates in conjunction with the following school policies:

- Data Protection Policy.
- Finance Handbook.
- Reserves and Investment Policy.

## **2.0 USING A FRAMEWORK AGREEMENT**

Where possible, the trust will use a framework agreement to purchase goods, works or services. Each framework agreement has:

- Details of the products and services available.
- An agreed pricing structure.
- Details of the suppliers.
- Instructions on how to buy.
- An agreed set of terms and conditions.

When using a framework agreement, the trust has two options:

- Select a supplier direct from a framework agreement
- Run a 'mini-competition' – where suppliers are asked to send a bid and the best one is chosen.

The framework agreement will state whether the trust can select a preferred supplier itself or if a mini-competition must be run. If the trust can select a supplier itself, the framework agreement will set out the rules for doing so which the trust will follow. When running a mini-competition, the trust will:

- Comply with the terms of the framework agreement.
- Decide how it will assess bids, following any rules the framework 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 the trust needs.
- Fairly assess all bids received.
- Choose the supplier that offers the best value for money.
- Award the contract to the winning supplier.

### 3.0 PROCUREMENT AND SPENDING DECISIONS

#### Procurement basics

The trust will ensure that:

- Spending is 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.
- A competitive tendering policy is in place and applied, and GPA procurement rules and thresholds are observed.
- Professional advice is obtained where appropriate.
- Procurement thresholds
- The trust will run a PCR compliant buying process if:
- It cannot get what is needed through one of the DfE’s recommended deals for schools or a framework agreement.
- Something is being bought that is over the PCR procurement thresholds.

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

Order value	Process required
£5,000 -£14,999 (low)	Framework agreement or at least three quotes from suppliers. Head Teacher approval.
£15,000 to £30,000 (medium)	Framework agreement or at least three quotes from suppliers. F&P Committee approval.
Over £30,000 and up to PCR procurement thresholds (high)	Framework agreement or advertise a contract and run a buying process. Trust Board approval.
Over PCR procurement thresholds: <ul style="list-style-type: none"> <li>➤ Goods – £213,477</li> <li>➤ Works – £5,336,937</li> <li>➤ Most services – £213,477</li> </ul>	Framework agreement or PCR-compliant buying process (unless covered in the list of services in the , in which case the threshold is £663,540)

#### Specifications

No matter what procurement process is followed, a specification will always be written outlining what the 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.

## 4.0 SMALL AND MEDIUM PURCHASES

Any purchase or service estimates below £5,000 are considered to be 'small' purchases, and any below £30,000 are considered to be 'medium' purchases. Small purchases below £15,000 will require approval from the Head Teacher only.

Where possible and practical, the trust will use a framework agreement to purchase small and medium goods, works or services.

Where it is not possible or practical to procure small and medium purchases through a framework agreement, quotes from at least three suppliers will be obtained prior to purchasing. All suppliers will be sent the same information, as follows:

- Specification
- Deadline for submitting the quote
- How the supplier can ask questions about what the trust is buying or its process

Award criteria will be set before any suppliers are contacted. To avoid legal challenges, the trust:

- Treats all bids fairly and equally.
- Keeps confidential, secure and auditable records.
- Buys from the supplier considered to offer the best Value for Money

The individual purchasing the goods is responsible for overseeing the arrangements for the delivery of goods and checking items upon delivery, this may include liaising with the Site Team for delivery and checking or the reception team.

The trust sends a contract, such as a purchase order, to the chosen supplier, including:

- What has been purchased.
- The total cost.
- The delivery address.
- The delivery date and any other important dates.

All receipts and invoices will be kept in the finance office for a period of 18 months after the initial purchase and then archived according to the school's Retention procedures.

The individual purchasing the goods is responsible for ensuring the goods are received and notifying finance.

Goods will be inspected upon delivery. Any items that are either not part of the order, damaged or not fit for purpose will be returned. When goods are returned, the finance manager will record:

- The name and product code of the item.
- The cost of the item.
- Details of the item.
- The reason for rejection.

A record of goods rejected and delivered is kept in the Finance Office.

## **5.0 HIGH-VALUE PURCHASES**

Any purchase or service estimated to cost over £30,000 is put to formal tender. In the case of major building works or construction, the services of an architect are sought before the tendering process is undertaken.

### **Large purchases under the PCR procurement thresholds**

When the trust makes purchases with a value under the PCR procurement threshold, it will use a framework where this is available or seek the services of a Tendering agency to support with the formal tendering process. In the absence of a framework or tendering services consultancy support, the Trust will:

- Assesses the market.
- Prepares the contract and tender documents.
- Advertises in the right places.
- Considers using an expression of interest to cut the number of bids needed to assess later.
- Sends an invitation to tender to people who reply to the advert.
- Fairly assesses all the bids received, using the same process.
- Chooses the bid that offers the best value for money.
- Awards the contract to the highest scoring bidder.

### **Large purchases over the PCR procurement threshold**

When the trust makes purchases with a value over the PCR procurement threshold, it will use a framework where this is available or seek the services of a tendering services consultancy to support with the formal tendering process. In the absence of a framework or tendering agency support, the Trust will:

- Assesses the market.
- Checks the relevant frameworks to see if the purchase is available via an alternative route.
- Prepares the contract and invitation to tender.
- Considers whether to use the restricted procedure to reduce the number of bids to assess later, or the open procedure to let anyone bid.
- Advertises a contract notice using the e-notification service Find a Tender (FTS).
- Makes the invitation to tender and all other documents available electronically from the time that the contract notice is published.
- Assesses all the bids fairly, using the same process.
- Chooses the supplier that offers the best value for money.
- Awards the contract to the highest scoring bid supplier.

## **6.0 INVOICES**

All invoices are recorded and stored for future reference, with checks on the following information:

- The mathematical validity.
- The purchase ledger.
- The goods or services ordered and delivered.
- Any difference between the agreed and delivered price.

- The authorisation for payment.
- The amount paid in VAT.
- The total payment made.

## **7.0 RISK MANAGEMENT**

The trust maintains a risk register and manages risks to ensure its effective operation. The board of trustees retains ultimate responsibility for risk management, including ultimate oversight of the risk register, drawing on advice from the audit and risk committee. The board of trustees reviews the risk register annually.

The trust's risk management includes business continuity planning.

The trust is protected by adequate insurance cover in compliance with legal obligations. The trust cooperates with risk management auditors and risk managers, implementing any reasonable risk management audit recommendations.

## **8.0 TYPES OF TENDER**

### **Open tender**

Open tender may be used for goods or services over £30,000.

All interested suppliers are invited to tender, with the School Business Manager (SBM) making a recommendation to the Head Teacher, and F&P Committee, for approval. The headteacher has the final say in selecting the successful tender.

### **Restricted tender**

Where a restricted tender is used, only specified suppliers chosen by the SBM are invited to bid. The trust establishes a shortlist of at least three bids during the restricted tender.

Restricted tender is used in any of the following circumstances:

- There is a need to maintain a balance between the contract value and administrative costs
- The service required is specialised.
- The cost of public advertisement outweighs the potential benefits of open tender.

### **Negotiated tender**

Where a negotiated tender is used, the terms of the contract are negotiated with the supplier.

Negotiated tender is only used in any of the following circumstances:

- Other types of tender have been used and have not found any suitable suppliers.
- Very few or no alternative suppliers are available.
- There is an urgent need for a service.

## **9.0 PREPARATION FOR TENDER**

In preparing for a tender, the SBM considers the following:

- The overall objective of the project.
- Any technical skills required to complete the project.
- Any after-sales services required.
- The form of the contract.

## **10.0 INVITATION TO TENDER**

The trust makes all necessary documents available online when the advert has been placed in the Find a Tender Service (FTS). These include:

- A covering letter.
- A timeline.
- How to ask questions.
- How to submit a bid.
- Specifications.
- A list of things the trust requires prices for.
- The award criteria.
- The level of service required.
- Any contract management needs, such as regular meetings or contact.
- If needed, an invitation for suppliers to give a demonstration.
- The standard selection questionnaire.
- The proposed contract drafted as far as possible.

## **II. TENDER EVALUATION**

When making purchases, the trust:

- Decides the method of assessing the bids.
- Gets bids from at least three suppliers.
- Assesses all the bids received fairly and according to the specification.
- Chooses the supplier that offers the best value for money.

When evaluating a tender, the following financial implications are considered:

- Lower costs may not necessarily be the most favourable e.g., when they result in a reduced service.
- The price being considered should be the total cost, without extra fees or hidden costs.
- Where there is scope for negotiation, the SBM needs to ensure the best possible value for money.

When evaluating a tender, the following technical requirements are considered:

- Certificates of conformity.
- Conformity of standards.

- The qualifications and experience of the supplier.
- Descriptions of technical services and facilities.
- Quality control procedures.
- Details of previously delivered services.
- References from previous customers.

When considering a tender, the following other requirements are considered:

- Pre-sales demonstrations.
- After-sales service.
- The financial viability of the supplier.

## **12. TENDER ACCEPTANCE**

Invitations to tender always state the date and time the completed tender documents are to be received by the SBM.

Tender documents received after deadlines are not considered, unless the supplier provides proof of exceptional circumstances.

### **Informing unsuccessful bidders**

The trust provides a letter which can include the following information to all unsuccessful bidders at the same time:

- The name of the winning bidder.
- The award criteria used
- The scores for the winning bid
- The reasons for the decision, including the characteristics and relative advantages of the successful tender
- Their scores and feedback

The trust provides information regarding the cost of the winning bid upon request, provided it does not reveal any commercially sensitive information.

### **Informing the successful bidder**

The trust provides a letter which may include the following information when informing the successful bidder that they have won:

- The award criteria used.
- Their scores.
- Why the trust thinks their bid is the most economically advantageous.
- The trust uses the letter as an invitation to finalise a contract. The letter makes it clear that:
- There are no commitments, and no work should begin, until both sides have signed the contract.

### **13. TENDER OPENING**

All offers for tender are opened at the same time, with a minimum of two members of staff present, one of whom is the SBM.

A record is kept of all the suppliers who submitted tenders, along with the amount tendered. The records are stored in line with the trust's Records Management Policy.

### **14. STAFF INVOLVEMENT IN EVALUATING OFFERS FOR TENDER AND QUOTES**

The Head Teacher is responsible for ensuring that none of the members of staff involved in the tender process are subject to conflicts of interest.

Members of staff who are involved in decision making never accept gifts or hospitality from suppliers.

A full record of the evaluation process is maintained by the Business Manager.

### **15. CONTRACTS**

**Non-routine tenders or purchases, such as leases, are subject to a contract, which is signed before the work begins or goods are delivered.**

All contracts include the following details:

A detailed description of the goods, works or services the school has agreed to buy, linked to the specification.

- The timeline and completion date of the work.
- Quality control measures.
- The agreed fees or charges.
- The payment date.
- Specifications of the goods or service.
- What happens at the end of the contract
- Terms and conditions

If the supplier is employing another company to undertake some, or all, of the work, or to provide goods, it is the supplier's responsibility to ensure the company has:

- Health and safety policies in place.
- The relevant insurance.
- The required professional qualifications.
- Proof of certification.

Copies of all contracts are securely stored in the central record located in the Finance Office.

## **16. RELATED PARTY TRANSACTIONS**

### **The Trust adheres to the Academies Trust Handbook rules for Related Party Transactions.**

Principles the trust adheres to:

- Trustees will avoid any conflicts of interest, declare their interest in proposed transactions and arrangements, and will not accept benefits from third parties.
- All members, trustees, local governors and senior employees will complete the register of interests.
- No member, trustee, local governor, employee or related individual will use their connection to the 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 the trust.
- Payments to trustees by the trust will only be made where permitted by its articles of association, or by the authority of the Charity Commission, and comply with any relevant agreement with the Secretary of State.
- The trust will consider its obligations where payments are made to other businesses who employ a trustee, are owned by a trustee or in which the trustee holds a controlling interest.
- Where the trust believes a significant advantage exists in paying a trustee for acting as a trustee, the Charity Commission's approval will be obtained prior to payment.
- The trust adheres to 'at cost' requirements.
- The chair of 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'.
- The trust is 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 of trustees 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.

### **Record keeping**

The 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.

### **Approval by the ESFA**

The trust obtains the ESFA's approval for related party transactions that are novel, contentious or repercussive. Transactions involving the chair of trustees, or the accounting officer are carefully considered against this requirement.

The trust obtains the ESFA's prior approval for contracts supplying goods or services by related parties agreed on or after 1 April 2019 where any of the following limits apply:

- A single proposed contract or agreement with a related party exceeds £20,000.
- A proposed contract or agreement of any value means the total value of contracts or agreements with the same related party exceeds £20,000 in a financial year.

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

The trust ensures the information and documentation listed in the 'Academy Trust Handbook' has been received before the trust completes the online related party transaction form.

### **Register of interests**

The trust documents all relevant business and pecuniary interests of members, trustees 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 identifies all relevant material interests from close family relationships between the trust's members or trustees. It also identifies relevant material interests arising from close family relationships between those individuals and employees.

The trust publishes on its website the relevant business and pecuniary interests of members, trustees and accounting officers. The publication of interests belonging to any other individuals named on the register is at the discretion of the trust.

### **'At cost' requirements**

The trust adheres to the 'at cost' requirements as laid down in the Academies Trust Handbook.

### **Reporting**

The trust reports all related party transactions taking place on or after 1 April 2019 to the ESFA in advance of the transaction taking place, using the ESFA's online form.

### **Management of Contracts**

Following the procurement of any service contract it is vital to ensure the contract is appropriately and effectively managed, the method for doing so will be dependent on the size and complexity of the contract. It is important to hold regular contract management meetings to:

- Ensure all parties understand their role and responsibilities within the contract and to fulfil them effectively.

- Ensure progress is made within the contract on a day-to-day management basis and against any agreed KPIs. Ensuring any issues preventing these being met are discussed and resolved.
- Ensure that notice of termination or the requirement to re-negotiate is given on contracts in plenty of time.

Contract variations and extensions – best practice dictates that all contracts should be re-negotiated or put to the market at the end of each term. However it may be appropriate to extend an existing contract.

Any contract variation or extension should be agreed by the Academy and the supplier by mutual consent.

Situations where it may be appropriate to extend an existing contract without going to market would be; Where Eggar’s had previously carried out a procurement exercise to procure goods or services and wishes to continue beyond the end date of the current term. This option will be afforded, provided the service continues to offer value for money, satisfactory service levels have been maintained throughout the contract and the price offered for the new/extended term does not increase by more than inflation.

## **DECLARATION OF CONFLICTS OF INTERESTS FORM FOR GOVERNORS AND TRUSTEES**

I hereby certify that I understand that it is my responsibility to declare the nature of all business or personal interests, whether direct or indirect, of myself, my partner and/or members of my immediate family, that could unfairly benefit from my relationship and connection with the school. I also understand that it is a criminal offence to:

- Withhold information relating to conflicts of interest.
- Provide falsified information.
- Fail to notify the governing board of any changes which might invalidate this declaration.

I agree to inform the board of trustees of any changes to aforementioned interests, or new conflicts of interest, at the earliest possible opportunity.

I confirm that I do not have any actual or potential conflicts of interest to declare

I wish to declare an actual or potential conflict of interest and have included further details below

<b>Name:</b>	
<b>Role:</b>	
<b>Signature:</b>	
<b>Date:</b>	