



MANOR
MULTI ACADEMY TRUST

Procurement and Tendering Policy

(VERSION 1.0)

Manor MAT Procurement & Tendering Policy

INTRODUCTION

The purpose of the policy is to provide a clear framework for staff when considering the purchase of goods or services for the trust. The procedures are designed to encourage open competition in order to comply with transparency requirements and ensure value for money has been tested. The policy should be read in conjunction with the trusts financial procedures manual, which gives further guidance about purchasing procedures.

PROCUREMENT CATEGORIES

The following categories detail the procedures required, according to the estimated value of the goods or service contract:

1. £0 to £10,000. Lower value purchases: No formal quotations are required.
2. £10,001 to £50,000. Medium value purchases: Three written quotations must be obtained.
3. £50,001 up to current EU thresholds. High value purchases: four tenders must be obtained.
4. Over EU thresholds: five tenders obtained using the latest EU procurement regulations.

The above values are net of VAT. Aggregation rules apply, so the value is the total value of a contract over the specified contract term.

5. Framework agreements: For some goods and services a framework agreement may exist, whereby services have been pre-tendered by another organisation and the trust can buy-in at a price that has been fixed under the framework agreement. In these cases the procurement and tendering regulations have already been satisfied. Examples of this are Crescent Purchasing Consortium, LA contracts such as that for photocopiers and West Mercia Supplies.

PROCEDURES

1. Low Value Purchases (£0 – £10,000)

Whilst there is no requirement to obtain formal quotes, price comparisons should be made regularly in order to achieve best value. Prices may be obtained direct from suppliers or printed from websites if appropriate.

For purchases up to £10,000, the decision as to which quote to accept will be taken by the Executive Principal, in consultation with the Finance Director or other budget holder where appropriate, in line with the Executive Principal's delegated authority.

2. Medium Value Purchases (£10,001 – £50,000)

Three written quotations should be obtained. Occasionally it may not be possible to gain three, due to limited numbers of potential suppliers or other reasons, such as suppliers declining to quote. If it has not been possible to gain three quotations then evidence should be retained to show that every attempt has been made to receive the maximum number of quotes.

For purchases between £10,001 and £50,000, or if the expenditure is not within the approved budget, the decision will be taken by the Finance Committee. Decisions will be recorded in the committee meeting minutes.

Quotations should be based on a written specification, particularly for services and works, to ensure that they are prepared on a 'like for like' basis.

3. High Value Purchases (£50,001 – Current EU Threshold)

All purchases with a value greater than £50,000 must be put out to formal tender following the designated procedures.

A specification will be prepared and authorised by the Executive Principal and sent to at least four suppliers. For any major building works the services of an architect may 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 contractor list or from those agreed with the architect. Otherwise, invitations to submit tenders will be advertised in local newspapers and trade journals if appropriate. The invitations to tender will include:

- (a) 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; and
- (f) the form and date of response to the trust, or in the case of building works, to the architect or quantity surveyor.

All replies should be addressed to the Finance Director at the trust, or to the architect if this is specified in the invitation to tender, in a plain sealed envelope marked 'Tender' and must be received by the specified date.

The date and time of receipt will be recorded on the envelope and all replies must be kept sealed until the tender meeting.

All tenders will be opened at the same time. The tender register will be completed with the details of the goods/service tendered for, the name of the contractor, the tender price, the date/time received and the date/time of opening. The names and signatures of those present will also be recorded. Notes will be made to detail any queries on the tenders and also details of any suppliers who failed or declined to submit a tender.

The tender meeting must be attended by at least one Director, the Executive Principal (or his/her designated deputy) and either the Finance Director, Business Manager or a Deputy/Assistant Principal. Another senior member of staff who is involved in the operation of the service and/or any architect or consultant used to carry out the tender process may also be present.

A decision will be taken at the tender meeting regarding the preferred supplier and this will be recommended to Finance Committee for their approval. Sometimes further clarification may be needed from the supplier and in these cases the recommendation may be subject to receiving this clarification. Such clarification must be received and reported to Finance Committee.

Where the tender price exceeds the budget allocation, the decision as to which tender to accept will be taken by the Finance Committee.

The reasons for accepting a particular tender must be documented in the committee meeting minutes, especially if it is decided to accept other than the lowest tender.

No contractor will be allowed to amend the tender after the time fixed for receipt.

The Finance Director will retain copies of all correspondence for each tender and all other information relevant to the tender, such as tender specification documents.

All organisations who submitted a tender should be advised of the outcome of the process as soon as possible following approval of the successful tender.

4. Purchases Over The Current EU Threshold

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

The value of the EU thresholds are reviewed every 2 years.

Details of the current thresholds, including the sterling equivalents, and the most up to date guidance on the EU procurement processes can be found using this link <http://ojec.com>

For contracts that are going to fall within this category the trust may decide to use a company to carry out the procurement exercise.

ACCEPTANCE OF TENDERS

The following points will be considered when deciding which tender to accept:

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

6. The supplier's own quality control procedure; pre sales demonstrations, after sales service and, for building works, a defects period and insurance guarantees.
7. The financial status of the supplier.
8. References from other establishments.
9. Understanding & compliance with Health & safety, CDM regulations and Child Protection issues related to working on a school site

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 recommended tender after the tender meeting has taken place.

Once a tender is accepted an official order should be issued immediately to the supplier in the normal way.

Consideration should be given to the frequency with which contracts are re-tendered. A balance needs to be struck between regularly testing value for money against the cost of tendering and developing supplier relationships.

REVIEW

This policy will be reviewed every three years by the Executive Principal and Finance Director and reported to the Finance Committee.

Signed:CEO

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Signed: Chair of Directors

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