

**The Great North Wood Education Trust  
Procurement and Tendering Policy**

<b>1</b>	<b>Scope</b>
1.1	This document sets out the core guidelines by which The Great North Wood Education Trust (the Trust) spends money, and explains the Trust's approach to the purchase of goods, works and services for and by its schools). The Trust is obliged to comply with the Academies Financial Handbook, Funding Agreements with the Department for Education (DfE), any DfE guidance including the Academies Procurement Resources and the Public Contracts Regulations 2006 (the Regulations). Under our Funding Agreements and as a registered charity, the Trust's board of trustees have specific obligations to ensure value for money.
1.2	It is important to note that the Trust is the sole legal entity which can enter into contracts for itself and any of its member schools. The schools themselves are not separate legal entities and any contracts awarded by individual schools will be binding on the Trust. All spend is recorded by the Trust to comply with DfE audit requirements as set out in this document. It is essential that the correct level of authority is sought and obtained before entering in to any contract as set out in this document. The scheme of delegation sets out the levels of delegated authority to the local governing body, Headteacher and other staff. These guidelines apply to everybody in the Trust and schools who is responsible for purchasing, whether as an employee or contractor.
1.3	Non-compliance with this document may lead to disciplinary procedures

<b>2</b>	<b>General Principles</b>
2.1	When purchasing and contracting for goods and services, the Trust, its schools must demonstrate compliance with procurement legislation and the proper and effective use of public funds at all times. Purchasing procedures should also ensure that the goods, services and works procured are for the correct quantity and quality, arrive on time and achieve best value. The following general principles must therefore be adhered to:
2.2	<b>Transparency and Non Discrimination</b> , in all purchasing activity the Trust must ensure that all contractors, suppliers and service providers are treated equally and without discrimination and must act in a transparent and proportionate manner. Procurement procedures must not be undertaken in a manner which artificially narrows competition, favours or disadvantages any contractor, supplier or service provider. All Procurement activities with a value in excess of £25,000 must be advertised on the Trusts website or other appropriate forum. The Trust Central Procurement team will advise as to the appropriate level of advertising.
2.3	<b>Probity</b> , it must be demonstrable that all parties are dealt with on a fair and equitable basis and that there is no private gain, favouritism or corruption involved in any dealings of the Trust;
2.4	<b>Accountability</b> , the Trust is publicly accountable for its expenditure and for the conduct of its affairs;
2.5	<b>Value for Money</b> , the achievement of value for money underpins the appropriate use of all public funds, therefore as well as striving to achieve the best price possible for all purchases, consideration should also be given to other factors such as quality, suitability, availability, reliability of the supplier, terms available etc.

<b>3</b>	<b>Conflict of Interest</b>
3.1	<p>This section applies to all contracts, regardless of value or duration. The Academies Financial Handbook puts strict obligations on the Trust to ensure that conflicts of interest in procurement are managed.</p> <ul style="list-style-type: none"> <li>• Any interest which may affect the outcome of a procurement process must be declared. This includes all authorised staff members as set out in Appendix 1.</li> <li>• All trustees must complete the register of business interests and keep this updated at least once per year. You must speak to the Chief Financial Officer if you are unsure</li> <li>• There are rules in the Academies Financial Handbook in relation to payments to individuals/organisations which are "connected" to a member or trustee. In any such case the Chief Financial Officer must be informed before such payments are made.</li> <li>• A record of all such declared conflicts of interest must be sent to the Chief Financial Officer who will determine what if any action can be taken to seek to remedy any such conflict of interest. The Chief Financial Officer may also seek the advice of the Chief Executive Officer providing the matter does relate them. If this is the case they will raise the matter with the chair of the Trust Board</li> <li>• No gifts or hospitality should be accepted by any service provider as an inducement to award a contract to that supplier. This may be an offence under the provisions of the Bribery Act 2010. This includes free IT equipment. You must inform the Chief Financial Officer immediately on becoming aware of any such gifts or hospitality.</li> </ul>

<b>4.</b>	<b>Procurement</b>
4.1	<p>The Trust working with individual schools will develop procedures for assessing need, and obtaining goods and services which provide "best value" in terms of suitability, efficiency, time, and cost. Measures already in place include:</p> <ul style="list-style-type: none"> <li>• competitive tendering procedures (e.g. for goods and services above £5,000)</li> <li>• use of procurement consultants for tenders for services of a highly technical nature or whether use of a third party would be more cost effective</li> <li>• procedures for accepting "best value" quotes, which are not necessarily the cheapest (e.g. suitability for purpose and quality of workmanship)</li> <li>• procedures which minimise office time by the purchase of goods or services direct from known, reliable suppliers (e.g. stationery, small equipment)</li> <li>• use of frameworks provided by the Crown Commercial Service and other providers such as the Crescent Purchasing Consortium.</li> </ul>
4.2	<p>The Trust acknowledges that the pursuit of minor improvements or savings is not cost effective if the administration involves substantial time or costs. Time wasted on minor improvements or savings can also distract management from more important or valuable areas. Therefore Trust will not:</p> <ul style="list-style-type: none"> <li>• waste time and resources on investigating areas where few improvements can be achieved</li> <li>• expend time and resources to make savings in costs where the human resource applied outweighs the financial saving</li> <li>• expend time and resources by seeking tenders for minor supplies and services.</li> </ul>

<b>5</b>	<b>Quotation and Tendering</b>
5.1	<p>The minimum required numbers of tenders or quotations from appropriate contractors for a given estimated value of contract are:</p> <ul style="list-style-type: none"> <li>• Above £1,000 and up to £2,500 two oral quotations</li> <li>• Above £2,500 (£5,000 for works) and up to £10,000, three written quotation</li> <li>• Above £10,000 and up to £50,000, three formal quotations to be submitted in writing by a specified date and time and based on a written specification and evaluation criteria</li> <li>• Above £50,000 and up to EU thresholds, four tenders</li> <li>• Over EU thresholds, five tenders.</li> </ul> <p>The values are for single items or groups of items, which must not be disaggregated artificially.</p> <p>The sterling equivalents of EU thresholds from 1 January 2016 to 31 December 2017 (net of VAT) are £164,176 from 1/1/12 for supplies and Part A services and £4,104,394 for works.</p>
5.2	<p>The sterling equivalents are changed on 1 January of each even-dated year.</p>
5.3	<p>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.</p>

<b>6</b>	<b>Procedure</b>
6.1	<p>All purchases with a value greater than £50,000 must be put out to formal tender. The following procedures must be followed in such circumstances:</p>
6.2	<p>A specification will be prepared, authorised by the chair of the relevant committee and Headteacher and sent to at least three suppliers. 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.</p>
6.3	<p>Where appropriate, the suppliers invited to tender should be drawn from an approved list or from those agreed with the architect. Otherwise, invitations to submit tenders will be advertised in local newspapers, trade journals and Journal of the European Union, if appropriate.</p>
6.4	<p>Depending on the nature of the goods or services being tendered consideration should be given to using a two stage process. This is helpful when there may be a large number of potential suppliers e.g. cleaning contractors.</p>
6.5	<p>Stage 1 - Pre-qualification questionnaire (PQQ). Expressions of interest are sought and r suppliers will provide details about their suitability to undertake the work or supply the goods, their financial viability and references. This will be done in the form of a PQQ and supporting documentation. Suppliers will be ranked using a pre-determined weighted scoring system which they will have seen.</p>
6.6	<p>Stage 2 – Invitation to tender. Suppliers who have met the PPQ criteria will be invited to submit a tender. Those unsuccessful at the PQQ stage will be debriefed.</p>

6.7	<p>The invitations to tender will include:</p> <ul style="list-style-type: none"> <li>• an introduction/background to the project</li> <li>• the scope and objectives of the project</li> <li>• any technical requirements</li> <li>• implementation details for the project</li> <li>• the terms and conditions of the tender</li> <li>• form and date of response to the academy, or in the case of building works, to the architect or quantity surveyor</li> <li>• All replies, if to the school, should be addressed to the School Business Manager or equivalent in a plain sealed envelope marked 'Tender' to reach them by a specified date. All replies must be kept sealed until that date</li> <li>• Tender documents should not normally be sent as email attachments</li> <li>• 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. The opening should be witnessed by a governor and/or Trustee</li> <li>• No contractor will be allowed to amend the tender after the time fixed for receipt</li> <li>• The Business Manager or equivalent will open a separate correspondence file for each tender which will contain copies of all correspondence or other relevant information.</li> </ul>
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<b>8</b>	<b>Authority to accept tenders</b>
8.1	The Scheme of Delegation sets out the limits of financial delegation between the Trust, the Headteachers and Local Governing Bodies. The Scheme aims to give maximum delegation and flexibility at school level whilst ensuring the principles of this policy are followed.
8.2	In general terms the approval of the Trust will only be required if the contract value exceeds the OEU limit (see 5.3). Liabilities incurred are those of the trust as a whole. Any unplanned expenditure up to £50,000 must be approved by the Local Governing Body and in the case of capital expenditure the Trust Board.
8.3	For purchases up to £24,999, provided the expenditure is included in the budget, the decision as to which tender to accept will be taken by the Headteacher, in consultation with the School Business Manager or equivalent.
8.4	Where contact and service level agreements are being negotiated or renegotiated the Local Governing Body and Chief Financial Officer will be informed. The Headteacher may approve quotations up to £24,999.
8.5	For purchases of £25,000 to £59,999, provided the expenditure is included in the budget, the decision as to which tender to accept will be taken by the Headteacher, in consultation with the School Business Manager or equivalent and the Local Governing Body.
8.6	For purchases exceeding £60,000, provided the expenditure has been budgeted for, a decision will be recommended by the relevant committee of the Local Governing Body or the full body. The decision taken in committee will need to be reported to the next full governing body.

8.7	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 as follows: <ul style="list-style-type: none"> <li>• Revenue and Capital Expenditure up to £10,000 in one sum or in aggregate – Headteacher in consultation with Local Governing Body</li> <li>• Revenue and Capital Expenditure exceeding £50,000 in one sum or in aggregate – Trust Board in writing.</li> </ul>
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<b>9</b>	<b>Basis for accepting a tender</b>
9.1	The reasons for accepting a particular tender must be documented, especially if it is decided to accept other than the lowest tender. All decisions must be reported to the full governing body.
9.2	For particularly large contracts such as, but not limited to cleaning, IT support, catering the companies who submitted tenders should be interviewed by a panel made up of senior school staff, members of the Local Governing Body and/or the Trust Board. The latter should always be involved if the contract covers all schools in the Trust.
9.3	<p>The following considerations will be taken into account when assessing quotations or tenders. Where a two stage tendering process has been used some of this list will have been covered at the PQQ stage.</p> <ul style="list-style-type: none"> <li>• The overall price and the individual items or services which make up that price</li> <li>• Whether there are any ‘hidden ‘costs; that is additional costs which the academy will have to incur to obtain a satisfactory product</li> <li>• Whether there is scope for negotiation, while being fair to all tenderers</li> <li>• The qualifications and experience of the supplier, including membership of professional associations</li> <li>• Compliance with the technical requirements laid down by the school</li> <li>• Whether it is possible to obtain certificates of quantity</li> <li>• 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</li> <li>• The financial status of the supplier</li> <li>• References from other establishments</li> <li>• Understanding &amp; compliance with Health &amp; safety, CDM regulations and Child Protection issues related to working on a school site</li> <li>• 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 school/Trust</li> <li>• Once a tender is accepted/quotation is accepted a purchase order should be issued to the supplier in the normal way</li> <li>• With high value tenders a period of 10 days should be allowed before formal recognition of the contract to allow unsuccessful bidders to appeal the outcome</li> <li>• Feedback should be provided to unsuccessful bidders.</li> </ul>

<b>10</b>	<b>Review and Monitoring</b>
10.1	The Trustees will review this policy every 3 years unless some material change in

	circumstances mean an earlier review is needed
10.2	The Audit Committee will review the working of the policy and can review the processes surrounding procurement decisions

Policy Created	June 2017
Approved by Trust Board	17 July 2017
Signature of Chair of Trustees	Signature of CEO
Next Review	July 2020