**It could be useful to integrate this within your school’s Finance Policy**

**School name here**

**Procurement and Tendering Policy**

Date here

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| **Version and Date** | | **Action/Notes** |
| 1.0 | Date here | Policy drafted by XXX |
| 2.0 |  | Policy approved by Resources Committee |

**QUOTATION, PURCHASING, TENDERING AND CONTRACTING REQUIREMENTS**

For any purchase, one person alone shall not perform all the following duties:

a) ordering the supplies, goods and services,

b) receiving or verifying the receipt of supplies, goods and services and

c) certifying the corresponding invoices for payment.

It should be noted that European Union law requires certain procedures to be followed, including advertisement in the Official Journal of the European Union (OJEU), where the value of contracts awarded by public bodies exceeds a specified threshold, which is £173,494 for services and supplies as at 31 January 2012 (N.B. The EU thresholds are published on the Cabinet Office website [www.cabinetoffice.gov.uk](http://www.cabinetoffice.gov.uk)).

When placing orders schools should assess in advance, where relevant, the health and safety competence of contractors.

PURCHASES OVER £25,000

Purchases with an estimated value of £25,000 or more must be awarded by one of the following methods: -

· open competitive tendering by an advertisement in at least one local newspaper and an appropriate trade journal;

· selective tendering from at least three recognised sources known to be suppliers of the goods and services in question;

PURCHASES BETWEEN £5,000 AND £25,000

Purchases with an estimated value of £5,000 up to £25,000 can be awarded by one of the above methods (for purchases over £25,000) OR by inviting at least one quotation. In circumstances where this is impractical the reasons for not following these procedures must be reported to the governing body and recorded in the minutes of the meeting.

PURCHASES LESS THAN £5,000

For purchases of less that £5,000, the governing body shall make the most suitable arrangements for ordering works, goods and services or for the disposal of equipment and goods, but shall obtain alternative offers or quotations wherever possible.

AUTHORISATION OF EXPENDITURE

All orders and purchases, virements, debt/asset write offs/disposals, acquisitions and leases with an estimated value of £50,000 or more shall be subject to a decision of the full governing body and recorded in the minutes of the meeting. All contracts or payments of £100,000 or more to be subject to the approval of the Finance/Resource Committee. For goods and services below £50,000 the governing body should specify a value above which all purchases shall be subject to approval by governors and formally recorded in the minutes.

The governing body shall be informed of all instances in which goods or services are purchased or disposed of which are not the most financially advantageous option available. This will be recorded in the minutes of the meeting.

PROCEDURES

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:

1. 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 architects would be engaged to deal with the handling of specifications and suitability to tender.
2. 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 and trade journals if appropriate. The invitations to tender will include:
3. an introduction/background to the project;
4. the scope and objectives of the project;
5. any technical requirements;
6. implementation details for the project;
7. the terms and conditions of the tender; and
8. the form and date of response to the school/academy, or in the case of building works, to the architect or quantity surveyor.
9. All replies, if to the school, should be addressed to the Business Manager 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.
10. 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,
11. No contractor will be allowed to amend the tender after the time fixed for receipt.
12. The Business Manager will open a separate correspondence file for each tender which will contain copies of all correspondence or other relevant information.
13. For purchases up to £50,000 (£100,000 for larger schools/academies), provided the expenditure is included in the budget, the decision as to which tender to accept will be taken by the Headteacher/Principal, in consultation with the Business Manager and the chair of the Finance Committee.
14. For purchases exceeding £50,000 (£100,000 for larger schools/academies), provided the expenditure has been budgeted for, a decision will be recommended by the Finance/Resource committee. The decision will need to be ratified by the full governing body.
15. 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/Resource committee, in line with their terms of reference and then ratified by the full governing board; and
16. 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.

## ACCEPTANCE OF TENDER

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 school/academy 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 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 status of the supplier.
9. References from other establishments.
10. 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 lowest tender before making a recommendation to the academy.

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

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

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

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| Policy Reviewed: | Date here |
| Next Review: | Date here |
| Signature of Chair of Governors: | Signature of Headteacher: |