



SARACENS

MULTI-ACADEMY

TRUST

PROCUREMENT POLICY

Approved by Trust Board on: 9th July 2020

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Saracens Multi-Academy Trust

Lanacre Avenue, NW9 5FN

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1. Aims

Saracens Multi-Academy Trust and its schools are committed to ensuring that procurement of all goods and services represents value for money. Wherever possible, we intend to use frameworks and to achieve economies through purchasing services across our schools.

We will work within the following regulations and guidelines:

- The current Academies Financial Handbook
- The DfE advice on School Resource Management: <https://www.gov.uk/guidance/school-resource-management-checklist>
- DfE guidance on procurement in education: <https://www.gov.uk/guidance/buying-for-schools>
- DfE advice on national deals: <https://www.gov.uk/government/publications/deals-for-schools/deals-for-schools>

Where applicable, this document also complies with our funding agreement and articles of association.

2. Procurement process

Wherever practicable, within relevant time constraints, we aim to follow the process outlined below for larger procurements:

1. **Plan the procurement.** For large value items, this may involve preparation of a business case detailing what is needed, why, by when and the budget available. Where a business case is deemed necessary, this will be prepared by the Trust Business Manager, for discussion and agreement with the relevant Local Governing Body.
2. **Write the specification.** This will include a description of the goods and services required, an output specification of how the goods/services should meet the Trust needs and any quantity, quality and delivery requirements.
3. **Select a supplier directly from a framework contract, run a mini competition or run a tender process.**
4. **Manage the contract.** Once a contract has been awarded a schedule of regular reviews of supplier performance will be agreed and undertaken, dependent on the strategic significance and value of the contract

3. Quotation and tendering requirements

In accordance with the Trust's Financial Regulations, for curriculum items, Budget Holders will seek quotations, with support from the Trust Business Manager, as required. Other quotes will be obtained by the Trust Business Manager or Finance Officer.

The Trust's current spend thresholds are set out overleaf:

Value of spend (excl. VAT)	Approval Level	Tender process required
Up to £1,000	Budget holder	Best value for money
£1,001 - £2,500	Trust Business Manager	Two written quotations
£2,501 - £10,000	Principal	Three written quotations
£10,001 to £40,000	Local Governing Body	Medium Value Business Case Approval Three written quotations
£40,001 to OJEU limit	Trust Audit Committee	High Value Formal tender process UK
Over EU threshold	Trust Board	OJEU tender process

- up to £1,000 a written quotation is preferable and transactions must be supported by receipts from suppliers
- £1,001 to £10,000 – three written quotations, which can be emails of downloaded online quotations.
- £2,501 to £10,000 - all efforts will be made to obtain three quotations. However, where the value is less than £5,000 and we are unable to obtain three quotations or where the opportunity cost in staff time of getting three quotations is considered greater, two written quotations can be accepted with the approval of the Chair of the Resources Committee or Audit Committee, as appropriate.
- £10,001 to £40,000 – a business case must be approved by the Chair of Resources. This must include:
 - Specification of requirements/Scope of works
 - Benefits to the organisation and best value for money
 - Evaluation criteria

The Local Governing Body will then be asked to approve the preferred bidder in line with the initial business case and the evaluation outcome.

- Above £40,001 and up to EU thresholds, formal tender undertaken by the Trust Business Manager. It is expected that for tenders of such size, external procurement support would be sought.

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

The sterling equivalents of EU thresholds (net of VAT) are £189,330 for supplies and Part A services and £4,733,252 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 (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.

Valuing the contract

It is important that contracts are properly assessed for value. The total value of the contract is obtained by making reasonable assumptions on:

- **the annual spend**; multiplied by
- **the number of years of the contract**; multiplied by
- **the number of schools that the contract is being awarded for (this may include a known future school joining the trust)**

Using a Framework

A framework already offers value for money and can be checked to see if there is an existing contract/framework agreement for the expenditure in question.

Examples of existing frameworks include:

- Crown Commercial Service
- Crescent Purchasing Consortium
- ESPOYPO

Frameworks will either allow direct awards of contracts to a supplier or a mini competition between all suppliers on the framework with capacity to deliver the requirement.

Local framework.

In certain circumstances, such as the provision of frequent, low value maintenance work, the Trust will run its own tender process to create a framework for suppliers from which work can be called off. The initial framework will be for reactive and planned maintenance. The Trust places a high rating on quality, as well as cost, for regular works.

4. Forms of Tenders

There are three forms of tender procedure: open, restricted and negotiated and the circumstances in which each procedure should be used are described below.

- **Open Tender:** This is where all potential suppliers are invited to tender. The Chief Executive Officer or Principal and the Trust Business Manager must discuss how best to advertise for suppliers e.g. general press, trade journals or to identify all potential suppliers and contact directly if practical. This is the preferred method of tendering, as it is most conducive to competition and the propriety of public funds.
- **Restricted Tender:** This is where suppliers are specifically invited to tender. Restricted tenders are appropriate where:

- There is a need to maintain a balance between the contract value and administrative costs,
- A large number of suppliers would come forward or because the nature of the goods are such that only specific suppliers can be expected to supply the Trust's requirements
- The costs of publicity and advertising are likely to outweigh the potential benefits of open tendering.
- **Negotiated Tender:** The terms of the contract may be negotiated with one or more chosen suppliers. This is appropriate in specific circumstances
 - The above methods have resulted in either no or unacceptable tenders,
 - Only one or very few suppliers are available,
 - Extreme urgency exists,
 - Additional deliveries by the existing supplier are justified.

5. Tender process

Preparation for Tender

Full consideration should be given to:

- objective of project
- overall requirements
- technical skills required
- after sales service requirements
- form of contract

It may be useful after all requirements have been established to rank requirements (e.g. mandatory, desirable and additional) and award marks to suppliers on fulfilment of these requirements to help reach an overall decision.

Invitation to Tender

If a restricted tender is to be used, then an invitation to tender must be issued. If an open tender is used an invitation to tender may be issued in response to an initial enquiry.

An invitation to tender should include the following:

- introduction/background to the project;
- scope and objectives of the project;
- technical requirements;
- implementation of the project;
- terms and conditions of tender and
- form of response.

Aspects to Consider

Financial

- Like should be compared with like and if a lower price means a reduced service or lower quality this must be borne in mind when reaching a decision.
- Care should be taken to ensure that the tender price is the total price and that there are no hidden or extra costs.
- Is there scope for negotiation?

Technical/Suitability

- Qualifications of the contractor
- Relevant experience of the contractor
- Descriptions of technical and service facilities
- Certificates of quality/conformity with standards
- Quality control procedures
- Details of previous sales and references from past customers.

Other Considerations

- Pre sales demonstrations
- After sales service. This would cover both the quality and frequency of service, including handling complaints
- Financial status of supplier. Suppliers in financial difficulty may have problems completing contracts and in the provision of after sales service. It may be appropriate to have an accountant or similarly qualified person examine audited accounts etc.

Tender Acceptance Procedures

The invitation to tender should state the date and time by which the completed tender document should be received by the Trust. Tenders should be submitted in plain envelopes clearly marked to indicate they contain tender documents. The envelopes should be time and date stamped on receipt and stored in a secure place prior to tender opening. Tenders received after the submission deadline should not normally be accepted.

Tender Opening Procedures

All tenders submitted should be opened at the same time and the tender details should be recorded. Two persons should be present for the opening of tenders as follows:

- For contracts over £40,000 - the Trust Business Manager, the Principal and the Chief Executive Officer

A separate record should be established to record the names of the firms submitting tenders and the amount tendered. This record must be signed by both people present at the tender opening.

Tender Evaluation

Those involved in the evaluation process should disclose all interests, business and otherwise, that might impact upon their objectivity. If there is a potential conflict of interest then that person must withdraw from the tendering process.

Those involved in making a decision must take care not to accept gifts or hospitality from potential suppliers that could compromise or be seen to compromise their independence.

Full records should be kept of all criteria used for evaluation.

The accepted tender should be the one that is economically most advantageous to the Trust according to the agreed evaluation criteria. The outcome of the evaluation should be presented to the LGB (if £40,001 up to OJEU limits) or the Board (if over OJEU limits) for approval.

6. Contract Award

The final contract that both parties sign should include:

- A copy of the good, works or services
- A pricing schedule competed by the supplier
- Terms and conditions agreed with the supplier
- The Service Level Agreement if required, which sets out any key performance indicators such as complaints handling
- Any contract management agreements
- An implementation plan with responsibilities of both parties, if required

A clear audit trail must be kept for all tenders.

7. Contract management

For ongoing contracts, a schedule of regular contract management meetings will be diarised to:

- Make sure both parties understand their responsibilities and fulfil them effectively
- Check progress against contract requirements and deal with any issues arising

8. Monitoring arrangements

This document will be reviewed by Board of Trustees at least every 2 years.

This document will be approved by Board of Trustees.

9. Links with other policies

This document links to the following policies:

- Financial Scheme of Delegation and Financial Regulations
- Anti-Fraud, Bribery and Corruption Policy