

# BASE MULTI ACADEMY TRUST PROCUREMENT & TENDERING POLICY

2022 - 2024

Version and Date		Action/Notes
1.0	Spring 2017	Policy approved by Resources Committee
2.0	Summer 2019	Policy approved by Resources Committee
3.0	Spring 2020	Policy approved by Resources Committee
4.0	Autumn 2021	Policy approved by Resources Committee
5.0	Summer 2022	Policy approved by Resources Committee
6.0	Autumn 2023	Policy approved by Resources Committee

## QUOTATION AND TENDERING

Where possible the required numbers of tenders or quotations from appropriate contractors for a given estimated value of contract are detailed below. It may not be possible for specialist services or products to obtain the required number of quotations and this will be taken into consideration by trustees during the procurement process. In exceptional circumstance for example due to health & safety concerns where there is a risk to stakeholders, staff may obtain a quotation from a trusted supplier or contractor who can carry out emergency works urgently. Service Level agreements are reviewed by trustees as per the trusts procurement plan on quality of service and value for money by looking at KPI's before allowing a contract to continue. At that point a decision is made whether to carry out a procurement exercise and look at other providers. If a preferred supplier has proven best value in a 12 month period, for works up to £5,000, one quotation can be considered. This is to be discussed with the Executive Headteacher before a decision is made.

- Above £1,000 and up to £5,000 two oral quotations;
- Above £5,000 and up to £15,000, three written quotations;
- Above £15,000 and up to £40,000, three formal quotations to be submitted in writing and based on a written specification and evaluation criteria;
- Above £40,000 and up to EU thresholds, four tenders;

Over EU thresholds, five tenders.

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

The sterling equivalents of EU thresholds (net of VAT) are £213,477 from 01/01/2022 for supplies and service contracts and £5,336,937 from 01/01/2022 for works contracts. 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.*

## FINANCIAL SCHEME OF DELEGATION

Decisions regarding the procurement of goods or services should be made in line with the authorisation levels within the financial scheme of delegation detailed below and recorded accordingly in Committee and Trust Board minutes of meetings:

1. Trust Board	-	Over £20,000
2. Resources Committee	-	£10,000 - £20,000
3. Executive Headteacher	-	Up to £10,000 per order
4. Finance Manager/Head of School	-	Up to £5,000 per order

## PROCEDURES

All purchases with a value greater than £40,000 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 Resources Committee and Executive Headteacher and sent to at least three suppliers. It is anticipated that for any major building works of a value greater than £15,000 the services of an architect 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:
  - (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 academy, or in the case of building works, to the architect or quantity surveyor.
3. 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.
4. 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,
5. No contractor will be allowed to amend the tender after the time fixed for receipt.
6. The Business Manager will open a separate correspondence file for each tender which will contain copies of all correspondence or other relevant information.
7. For purchases up to £5,000, provided the expenditure is included in the budget, the decision as to which quotation/tender to accept will be taken by the Executive Headteacher.
8. For purchases between £5,000 and £10,000, provided the expenditure is included in the budget, the decision as to which quotation/tender to accept will be taken by the Executive Headteacher, in consultation with the Finance Manager and The Resources Committee.
9. For purchases over £10,000, provided the expenditure has been budgeted for, a decision will be recommended by the Resources committee. The decision will need to be ratified by the board of trustees.
10. 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 resources committee, in line with their terms of reference and then ratified by the board of trustees; and

11. 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 board of trustees.

### **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 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

*The Schools' Funding Agreement should be considered when applying this policy*

September 2023

This Policy will be reviewed by the Resources Committee on a 2-yearly cycle and must be signed by the Chair of The Board of Trustees and Executive Headteacher.

Policy Reviewed:	Autumn Term 2023
Next Review:	Spring Term 2024
Signature of Chair of The Board of Trustees:	Signature of Executive Headteacher:

## **BASE Academy Business Case Template and Guidance**

The template and guidance notes are designed to help you construct or update your business case and decide the content and level of detail necessary. The template can be used when developing a new business case, updating it during the project or when assessing benefits realisation. Please see [guidance](#) for general advice on how to complete the template, or click the links below for help on specific sections.

### ***Project/Programme Details***

<b>Project/Programme Name</b>			
<b>Project/Programme Manager</b>			
<b>Group</b>			
<b>Start Date</b>		<b>Project No.</b>	

### ***Document Details***

<b>Document Ref</b>		<b>Version No.</b>	
<b>Status</b>	Approved/Draft	<b>Approved by</b>	
<b>Issued Date</b>		<b>Last Update Date</b>	

### **Background**

### **Scope**

### **Objectives**

### **Options**

### **Proposed Solution**

### **Benefits**

### **Risks**

**Dependencies**

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**Affordability**

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**Analysis of Whole Life Costs and phasing of expenditure (if applicable)**

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**Stakeholder engagement**

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**Change control procedures**

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**Critical success factors**

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**Procurement procedures (if applicable)**

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**Additional Information**

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<b><u>Project Leader's Signature..... Date.....</u></b>
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Section	Description
Background	Background – describe the potential change, idea, and/or problem. Why it should be done now and the implications of not doing it.
Scope	In this section you need to describe what the scope of the project is, its key objectives, deliverables and purpose. What business benefits will accrue? Are there any events, work or other projects that are either dependent on the outcome of this project or that the project will depend on.
Objectives	Objectives – these are a summary of what you want the project to achieve when it has been completed. So, it may start, "Completion of this project will result in...." Your objectives should be SMART – specific, measurable, achievable, relevant and timely. Avoid words like improve, optimise, clarify, help etc. These are vague words that mean you cannot measure your result. Objectives should be linked to Objective Delivery Plans.
Options	<p>In this section you need to describe and evaluate the different options and give reasons why the preferred option was chosen. There will often be a Do Nothing option that can be used as a baseline against which to measure the costs and benefits of the other options.</p> <p>The criteria used to decide which is the best value option should be clearly stated and should be as objective and measurable as possible. Benefits should be valued in financial terms wherever possible.</p> <p>Even if it is not possible to value all the benefits of a proposal, it is still important to consider valuing the differences between the options, including the 'Do nothing' option.</p>
Proposed Solution	Identify the selected option and how you propose to implement the change. This should cover any feasibility issues not covered elsewhere (Project Management principles, Next steps, etc.). The rest of the business case should be based on the identified solution. (See below).

Section	Description
Benefits	<p>Summarise the main benefits, who is responsible for delivering them and how will they be realised.</p> <p>Wherever possible try and give them a value so that they can be properly quantified. This will make it easier to measure whether they have been realised. The purpose of valuing benefits is to consider whether an option's benefits are worth its costs, and to allow alternative options to be systematically compared. Even if it is not feasible to value a benefit, it is still important to consider valuing the differences between the options. Where there are significant elements that cannot be valued in monetary terms e.g. they are social rather than financial, these still need to be brought out in your assessment. You should take into account, if possible all the tangible and intangible benefits that you believe will accrue - not just those benefiting the Academy.</p> <p>You should also outline the benefits realisation plan, method of evaluation, timing of the benefits coming on stream, the scope of coverage and who will be responsible for delivery.</p> <p>Typical benefits of a policy project could be:  Compliance with an EU directive  Compliance with a strategic commitment  Improvements in competitiveness  Protection of consumers  Improvements to market competitiveness  Equality and diversity objectives</p> <p><u>Typical benefits of internal change projects could be:</u>  Cost savings  Avoided costs  Efficiency improvements  Staff motivation with consequent reductions in sickness and improved recruitment and retention  Elimination of waste</p> <p><u>Typical benefits of consultancy projects could be:</u>  Transfer of knowledge from consultant to the Academy  Opportunities to disseminate the results across the Sector or Marketplace  More efficient use of resources if rare skills need to be available for a short space of time.</p> <p><u>Typical benefits of IT projects could be:</u>  Rationalisation of staff costs  Ease of use for customer  Increased efficiencies</p>

Section	Description
Risks	In this section, you should identify the key risks that might impact on the project and the achievement of desired benefits. Remember to identify opportunities and how you will exploit them as well as things that may go wrong.
Dependencies	Dependencies – are there any events or work that are either dependent on the outcome of this project or that the project will depend on?
Affordability	What resource will be required, including staff resources, and where will this resource come from? (e.g. will other activity be stopped?) No project should go forward without adequate understanding of resourcing requirements. Those responsible for providing resources must indicate they have approved the undertaking (Stakeholders).
Analysis of 'Whole Life' costs and phasing of expenditure	Whole Life Costing [WLC] looks at the cost of an item over the duration of its lifetime [Total Cost of Ownership] as opposed to the one off cost of simply buying the item. As a result, WLC takes into account energy, maintenance, operating, staff training and disposal costs. When setting out the costing illustration the Administration, Capital and Programme expenditure should be shown separately for each financial year of the project. Administration costs should include the costs of managing the project. Any costs that have already been incurred should be ignored, what matters are costs about which decisions can still be made. If it is helpful show separately a sheet identifying the costs vs. the benefits gained in each financial year. This can be discounted to show the “present value” of the entire project.
Critical success factors	Use this section to outline the things that must go right to ensure the success of the project. For example, does the project need to deliver all its objectives and benefits to be successful?
Procurement procedures (if applicable)	Use this section to explain your proposed procurement route e.g. is it under an existing framework agreement or via the OJEU process? If you are intending to use single tender action, the reasons for doing so should be fully explained here.
<b>Additional Information</b>	Other details you may need to include will depend on the size and type of project and specific requests from key stakeholders.