

Procurement Policy

Dorrington Academy



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1. Aims and scope

This policy aims to ensure that:

- › Value for money (economy, efficiency and effectiveness) is achieved
- › Conflicts of interest are managed adequately and appropriately
- › The school has open and transparent procurement procedures

This policy includes procedures for open tenders. This approach allows anyone to submit a tender to supply goods or services required and offers an equal opportunity to any organisation to submit a tender.

2. Legislation and guidance

This policy is based on:

- › [Department for Education \(DfE\) guidance on buying procedures and procurement law](#)
- › [The Public Contracts Regulations 2015](#)
- › This policy also complies with our funding agreement.

3. Roles and responsibilities

3.1 The governing board

The governing board will ensure that:

- The school has achieved value for money
- Relevant legal or professional advice (such as an external auditor) is used, where appropriate
- Any conflicts of interest that may arise are managed
- A register of the up-to-date business and pecuniary interests of governors and the headteacher is kept, helping to ensure the board is transparent and open
- Where any governor has a pecuniary interest in a procurement decision, they exclude themselves from the process and records (e.g. meeting minutes) show they had no influence on the decision

3.2 Headteacher

The headteacher is responsible for:

- Overseeing and supporting competitive tendering
- Providing information to the governing board, as appropriate
- Monitoring budgets

4. Purchase thresholds

4.1 Low to high-value purchase thresholds

Purchase levels are divided into the following:

- › Low-value purchase: £1,000 – £9,999

- Medium-value purchase: £10,000 – £49,999
- High-value purchase: over £49,999, but below the PCR procurement threshold

4.2 PCR procurement threshold

If it is estimated that the cost of a contract is above the PCR threshold for procurement spending, the school will seek legal advice to ensure it runs a PCR compliant buying process. The current PCR threshold for all goods and most services is £214,904

A 'light touch regime', with a higher threshold of £663,540, applies for some services that are specifically for education provision. We will seek legal advice to determine if any procurement run by the school qualifies.

5. Approval authority

CONTRACT LEVEL	CONTRACT VALUE	PROCUREMENT REQUIREMENTS
Up to £4999	£0 - £4,999	Single written/oral quote obtained before purchase or framework
Low	£5,000 - £9,999	Two written/oral quotes obtained before purchase or framework. If Single Source Approval is required this must be agreed by the Resources committee in advance of the order.
Medium	£10,000 – £49,999	3 written quotes obtained before purchase of framework If Single Source Approval is required this must be agreed by the Resources committee in advance of the order.
High	Over £50,000, but below the PCR procurement threshold	At least 3 competitive written quotations / tenders against a formal Request for Quotation / Tender Process.
Over the PCR procurement threshold	Over £214,904	A compliant EU Tender process. Full board consultation and agreement required before any process is initiated or Contract created.
'Light touch regime'	Over £663,540	Legal advice

6. Framework agreements

Where possible, we will use a framework agreement to contract suppliers. These are arrangements that a contracting authority, such as a public sector buying organisation, makes with suppliers. The benefits of frameworks are that they

have already been through a competitive tender process and they have favourable terms and conditions. In addition, the framework provider may offer advice and support.

Depending on the framework we choose, we will either pick the best value supplier from a list or run a mini-competition between listed suppliers. In either case, we will follow the DfE guidance on procurement (see section 2 of this policy) to ensure good practice. The reasons for the choice of framework, and for the choice of supplier, will be clearly recorded.

7. Valuing contracts

The value of a contract will be determined by calculating the estimated whole-life value of the goods, works or services, including any related fees.

For fixed term contracts with an option to extend the term, the value of the contract will be the price of the fixed term plus the potential extension period.

We will not divide a single contract into smaller contracts to bypass the purchase thresholds (see section 4).

8. Evaluating tenders

Tenders will be evaluated against the criteria and weighting outlined in the tender document. This criteria will include:

- Cost
- Quality
- Delivery
- Performance
- Risk

We may specify additional criteria based on the type of tender, as outlined in the tender document.

The evaluation process should involve at least two people with no conflicts of interest in the tender.

Those involved in deciding must not accept gifts or hospitality from potential suppliers that could compromise or appear to compromise their independence.

Full records should be kept of each tender evaluation and a report should be prepared for the governing body highlighting the relevant issues and recommending a decision.

Where required by the conditions attached to a specific grant, the grantor's approval must be obtained before acceptance of a tender.

9. Tendering procedure: low and medium-value purchases

When making low or medium-value purchases without a framework agreement, the school will use the process outlined below.

- a. **Create a specification** – a specification, either written or verbal, will set out what suppliers need to understand about what we are looking to buy, including the quality, quantity and delivery date
- b. **Compare suppliers** – a comparison of different suppliers, including their reputation, will help the school develop a shortlist of at least 3 suppliers we want to approach for a written quote
- c. **Assess quotes** – an award criteria will be developed to assess suppliers' quotes. Criteria may include:

- How well the supplier meets our specification
- The whole-life cost of the contract, which may include:
 - The sale price of the goods, works or services
 - VAT
 - Delivery charges
 - Maintenance costs
 - Running costs
 - The cost of removing and disposing of an item or service once we no longer need it
- Whether there will be price increases or decreases over the life of the contract
- Value for money

Each aspect of the criteria will be scored on a scale of 1 to 5, with 5 being the highest score. A record of how the quotes are evaluated will be kept.

The CFO will evaluate quotes with support from the headteacher.

When we contact suppliers, we will send them:

- The specification
 - Deadlines for quotes and when decisions will be made
 - Instructions for how to ask clarification questions about the specification
- d. Place an order** – when the best value quote is identified, we will send the supplier a purchase order, which includes details of the:
- Goods, works or services we are purchasing
 - Price
 - Delivery address
 - Delivery deadline and any other important dates
 - Payment schedule

10. Tendering procedure: high-value purchases

The school will make high-value purchases without a framework only in rare circumstances and only with legal support. When this does happen, we will use the process below.

- a. Create a specification** (see section 9)
- b. Assess the market** – we will prepare for the tendering process by developing our knowledge of the market. We will find out how many suppliers are available and the best way to advertise our contract to a range of suppliers
- c. Check the school's position in relation to the PCR procurement thresholds** (see section 4)
- d. Develop a contract** – a contract will include terms and conditions, service levels expected, a contract management plan and an exit strategy
- e. Reduce the number of bids** – to reduce the number of bids the school needs to evaluate, we will either use an expression of interest process to gauge interest in the contract or a pre-qualification questionnaire

- f. **Establish how we will assess quotes** – we will set out criteria that will allow us to evaluate which of the suppliers' bids best meets the requirements in our specification, and is the most economically advantageous tender that best combines price and quality
- g. **Create a timeline for the tender process** – this will include the dates of the clarification period, the deadline for submitting tenders and the date we expect to award the contract
- h. **Prepare an invitation to tender** – this will include:
 - › A covering letter with a timeline for the process
 - › Instructions on how suppliers can ask clarification questions and submit their tender
 - › The specification
 - › A pricing schedule
 - › The contract's terms and conditions
 - › Contract management requirements (see 'develop a contract' above)
 - › Award criteria, including the scoring system and any weightings
 - › If appropriate, an invitation for suppliers to give a practical demonstration of their goods, works or services
- i. **Advertise the contract** – the contract will be advertised where suppliers are likely to look, such as:
 - › The Find a Tender service – this is a requirement if the contract is over the PCR procurement threshold
 - › The government's Contracts Finder service
 - › Local or national newspapers
 - › Education publications or websites
 - › Trade magazines
- j. **Run the tender process and provide clarifications**
- k. **Evaluate tender responses** – at least 2 people will independently score and evaluate each bid, and then compare notes after completing their evaluations; records of decision making and moderation decisions will be kept
- l. **Notify bidders** – we will inform both the successful bidder and the unsuccessful bidders at the same time
- m. **Challenges from unsuccessful bidders** – if an unsuccessful bidder challenges the fairness of the contract, we will contact them to explain that we have conducted a fair process and kept good records. If they make a formal challenge, we will not formalise the contract and seek legal advice.
- n. **Finalise the contract** (if there are no legal challenges) and advertise the award (if the contract was advertised in Contracts Finder or the Find a Tender service)
- o. **Abandoning the tender process** – on very rare occasions we may need to halt the tender process. The tender documents should make it clear that we have the right to do so without any liability to the bidders. Should this occur, we will notify suppliers who are preparing their bids as soon as possible

11. Record keeping

Records will be kept securely, only for as long as necessary and in line with data protection law, our privacy notices and record retention schedule.

12. Monitoring arrangements

The headteacher is responsible for the implementation of this policy.

This policy will be reviewed and approved by the governing board annually and when PCR procurement thresholds change.

13. Links with other policies

This competitive tendering policy is linked to the following policies:

- Scheme of Delegation