

*Thinking Schools Academy Trust*  
**“Transforming Life Chances”**

**Procurement policy**

This policy was adopted	1 <sup>st</sup> January 2021
The policy is to be reviewed	Every 2 years
Policy ratified by	Finance Committee

## 1 Scope

This Policy and Procedure applies to all Academies that are part of The Thinking Schools Academy Trust and all trading subsidiaries of the Trust.

## 2 Quotation and tendering

**Appendix 1** details the relevant financial limits that are delegated across the organisation.

A summary of the procurement flow chart for purchases over 10K can be found in **Appendix 2**.

Unless exception is explicitly given the minimum required numbers of tenders or quotations from appropriate contractors for a given estimated value of contract are:

- Above £5,000 and up to £10,000 at least two informal quotations
- Above £10,000 and up to £50,000, three written quotations unless justifiable reason for less quotes (eg. Only supplier providing a certain product, clear demonstrable value in using certain supplier e.g. knowledge of TSAT)
- Above £50,000 and up to £100,000, three formal quotations to be submitted in writing by a specified date and time and based on a written specification and evaluation criteria;
- Above £100,000 and up to thresholds defined in The Public Contracts Regulations 2015 (hereinafter referred to as UK thresholds), four tenders;
- Over UK thresholds, five tenders.

To ensure that procurements using an operating lease maintain the principle of value for money, multiple lease quotations must be obtained unless explicit exception is given. The minimums number of operating lease quotes obtained should match the number of quotations required for the total procurement value.

The values are for single items or groups of items/projects, which must not be disaggregated artificially. The values for procurement items should be considered as:

- Excluding VAT;
- The total cumulative value of the order if the contract is for more than a single year

For tenders expected to exceed UK thresholds, procurement notices must also be published using the UK e-notification service, FTS (Find a Tender) and must follow The Public Procurement (Amendment etc.) (EU Exit) Regulations 2020, with particular regard to be given to the timescale for such tenders.

Expenditure for large capital projects that goes beyond the original budget agreed can only be authorised by the Executive Committee up to a maximum of 50K or 10% of the total project budget, whichever is greater.

Purchases to be funded from revenue which were included within the original budget and where their order value is less than 50K, can be authorised by the Executive Committee up to a maximum of 50K or within a 10% increase of the budgeted figure, whichever is greater. Procurements exceeding this figure regardless of whether they have been budgeted for should follow the approval process for tender procedures.

Purchases which are made through a nationally recognised procurement framework do not have to comply with the above requirements for a specified number of quotes.

All procurements for software or services requiring a third-party to process personal data on behalf of the Trust should clearly establish the relationship between the Trust as the 'data controller' and the supplier as the 'data processor', including any 'sub processors' used in the supplier's supply chain.

Before any orders are awarded that will result in additional sharing of personal data a Data Protection Impact Assessment (DPIA) must be completed and approved by the Trust's Data Protection Officer.

Compatibility for IT hardware or software should be checked with a member of the Trust's IT Department before orders are awarded.

The order requestor must complete a procurement summary for all project proposals that meet any of the following statements:

- Project introduces or modifies risks to Safeguarding or Safer Recruitment that need to be considered;
- Procurement will result in additional sharing of personal data;
- Order value exceeds 5K.

Whereby a procurement summary is required it must be submitted to the relevant approver/s using the Procurement Summary Template (**Appendix 3**) with all relevant quotes and specification checklist included before any orders are awarded. If the minimum number of quotations required by the total procurement value has not been met, an explanation must be provided within the procurement summary, which should then be attached to the order in PSF along with any supporting correspondence with suppliers.

Failure to follow this policy would be considered a breach of the code of conduct and will be managed using the disciplinary policy.

### **3 Tender Procedures**

All purchases with a value greater than £100,000 must be put out to formal tender. The following procedures must be followed in such circumstances:

A specification will be prepared, authorised by the Executive committee and sent to at least three suppliers. All major building works that are expected to exceed the UK thresholds require the engagement of professional agents to deal with the handling of specifications and suitability to tender. NB: Procurement processes for new professional agents will be fall within the remit of this procurement policy. Legacy contractors will be reviewed by the relevant committee when a need is identified.

1. 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.
2. All replies should be addressed to the Service Manager (or other named individual) in a plain sealed envelope marked 'Tender' to reach him/her by a specified date. All replies must be kept sealed until that date.
3. 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.
4. No contractor will be allowed to amend the tender after the time fixed for receipt.
5. The Service Manager (or other named individual) will open a separate correspondence file for each tender which will contain copies of all correspondence or other relevant information.
6. For purchases exceeding £100,000, provided the expenditure has been budgeted for, a decision will be made by the Trust Finance or Operations committee. The decision will need to be ratified by the Board of Directors for purchases that have not been budgeted for or for those greater than £150,000.
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 by the Regional Governing Body, Finance Committee or Operations Committee, in line with their terms of reference and then ratified by the Board of Directors; and
8. 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 Directors through the minutes of the Regional Governing Body, Finance Committee or Operations Committee.

9. Tender proposals must be submitted to the relevant approver/s using the Procurement Summary Template (Appendix 3) with all relevant quotes included.

#### **4 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 Academies Financial Handbook and delegated financial limits should be considered when applying this policy.

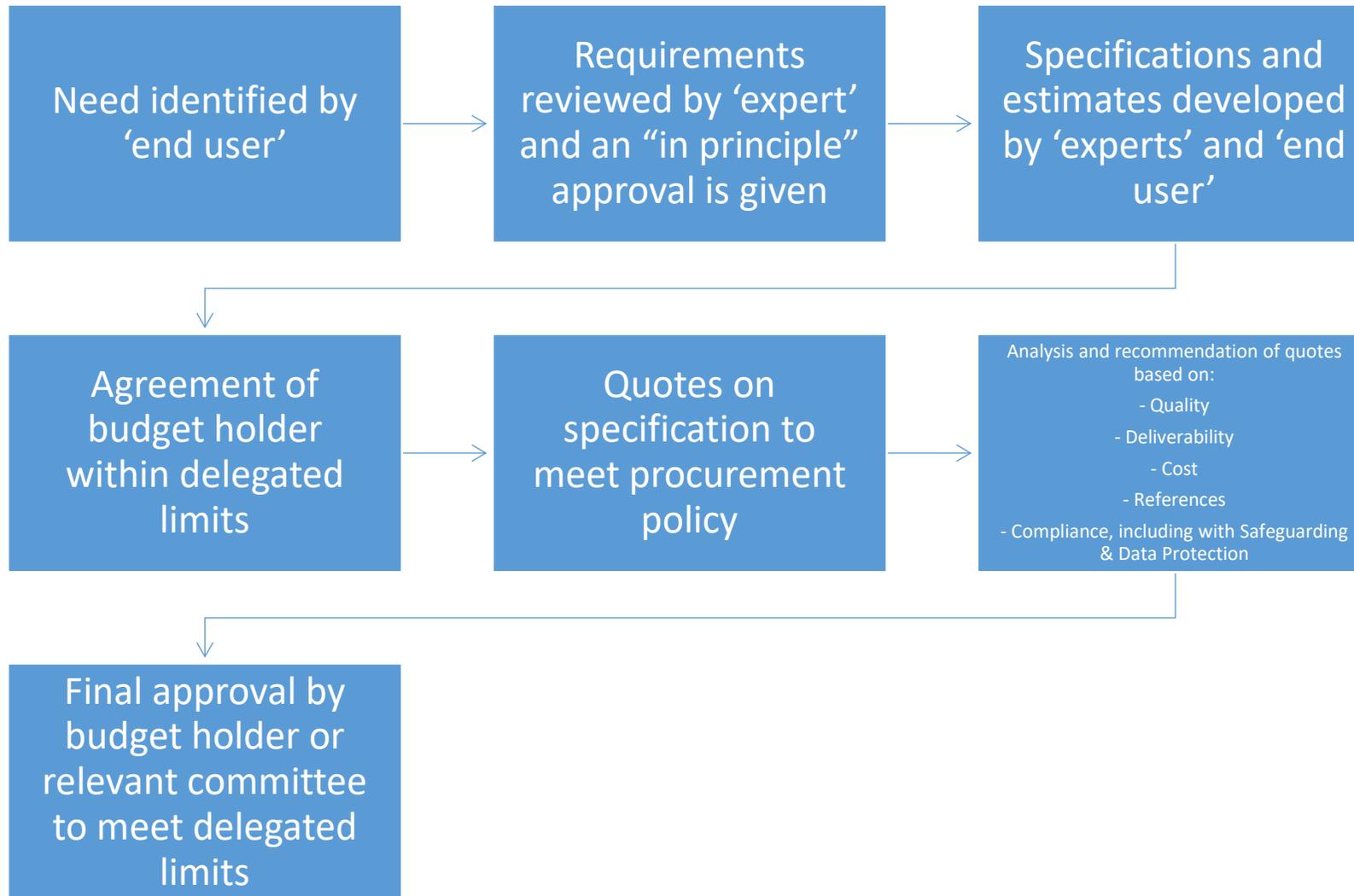
## **5 Related party transactions**

Related party transactions must be monitored and scrutinised by budget holders and committees prior to approval being made. The internal register of interests will be shared with members of staff and committee/board members with authority to approve purchases. All known related parties will also be marked within PSF so that approvers are able to identify them before making approval. Additional related party transaction regulations are detailed with the Academies Financial Handbook and should be followed in addition to the requirements within this policy.

## Appendix 1 – Financial Scheme of delegated limits

		Board of Directors	Trust committees	Executive	RGB	Headteacher / Head of Service / Business Manager	Budget Manager
Contracts/SLAs less than 1 year	For any agreement that will last less than 1 year	Unlimited	£100,000	£50,000	£25,000	£10,000	£1,000
Contracts/SLAs greater than 1 year	For any agreement that will last more than 1 year (total contract value)	Unlimited	£100,000	£50,000	£25,000	£10,000	£1,000
Individual orders allocated within budget	An individual purchase with one supplier	Unlimited	£100,000	£50,000	£25,000	£10,000	£2,500
Individual orders allocated outside budget	An individual purchase with one supplier that has not been allocated a budget	Unlimited	£50,000	£25,000	£10,000	£5,000	£0
Capital projects	A cost that will exceed the capital threshold	Unlimited	£100,000	£50,000	£25,000	£10,000	£0
Lease agreements	An agreement with a supplier to provide a premium for equipment to be used by the school	Unlimited	£100,000	£50,000	£25,000	£5,000	£0
Sales and Lease of Land	If a sale or lease agreed for use of the schools land or buildings (subject to Secretary of State approval)	Unlimited	£100,000	£25,000	£0	£0	£0
Contracted out services	If a contract is agreed that will provide a source of income for the school	Unlimited	£100,000	£50,000	£0	£10,000	£0
Staff expenses	To reimburse staff expenses	Unlimited	£5,000	£1,000	£0	£500	£25
Pay advances	To advance a staff members pay	Unlimited	£5,000	£5,000	£0	£0	£0
Settlement agreements	To agree a settlement payment with staff	Unlimited	£50,000	£25,000	£0	£10,000	£0

Appendix 2 – Procurement Flow Chart for purchases over 10K



## TSAT PROCUREMENT SUMMARY

<b>PROJECT TITLE</b>					<b>ORDER REQUESTOR</b>		
<b>ACADEMY</b>					<b>FUNDING SOURCE</b>		
<b>PROJECT SCOPE/PURPOSE:</b>							
<b>SPECIFICATION/PROPOSAL:</b>							
<i>Highlight relevant value and quotes required</i>							
<b>PROJECT VALUE</b>	5-10k	10-50k	50-100k	100k-UK thresholds	> UK thresholds		
<b>QUOTES/TENDERS REQ'D</b>	2 (informal)	3 (written)	3 (formal)	4 (tenders)	5 (tenders)		
<b>QUOTES/TENDERS REC'D</b>	<i>Explain if number of quotes/tenders less than required:</i>						
	<b>SUPPLIER</b>				<b>AMOUNT</b>		
1.							
2.							
3.							
4.							
5.							
<b>RECOMMENDATION (based on the core areas of VFM – Quality, Deliverability, Price):</b>							
<u>Quality</u>							
<u>Deliverability</u>							
<u>Price</u>							
<b>DOES SAFEGUARDING AND/OR SAFER RECRUITMENT NEED TO BE CONSIDERED AND ASSESSED AS PART OF THIS PROJECT? If 'Yes' then sign off required by Head of Safeguarding</b>						Yes / No	
<b>DOES THIS PROJECT INVOLVE THE SHARING OR PROCESSING OF PERSONAL DATA? If 'Yes' ensure DPIA is completed and liaise with the Data Protection team</b>						Yes / No	
<b>DOES THIS PROJECT INVOLVE A RELATED PARTY TRANSACTION? If 'Yes' then sign off required by Head of Finance</b>						Yes / No	
<b>DOES THIS PROJECT INVOLVE ICT HARDWARE OR SOFTWARE? If 'Yes' please check with the helpdesk for compatibility first and provide call reference number</b>						e.g #2010-1000	
<b>APPROVED BY</b>	<b>Revenue</b>	HT/HoS/EBM <10K	RGB <25K	Exec <50K	Trust Comms <100K	Board >100K	
	<b>Capital</b>	HT/HoS/EBM <10K	RGB <25K	Exec <50K	Trust Comms <100K	Board >100K	
<b>NAME/SIGNED</b>				<b>DATE</b>			
<b>POSITION</b>							