



Procurement & Tendering Policy

Policy Control	
Responsible Person:	Headteacher & SBM
Responsible Governors:	John McCaig & Adam Tuson
Approved by Governors:	October 2017
Date due for review:	October 2019

Our school policies are written with the objective of continuously improving the school in our aim of realising the school's vision:

Goudhurst & Kilndown Church of England Primary School will provide a happy, caring and stimulating environment rooted in Christian values in which every child will flourish. We will realise the potential of every child and instil a lifelong love of learning. Our approach to teaching and learning will be inclusive, supportive and innovative and will embrace new education initiatives and leading technology. We will ensure that our children are aware of the world in which they live, understand the need to play an active role within the local and wider community and appreciate the importance of living a sustainable way of life. In partnership with parents and carers, we will help our children to build high self-esteem, independence and resilience and to develop the life skills they need for their future in an ever-changing world.

Our School Values

Goudhurst and Kilndown Church of England Primary School values

Community • Friendship • Joy • Love • Peace • Trust

and all our stakeholders are encouraged to *reflect* upon their learning and their actions

Introduction & Policy Objectives

Goudhurst & Kilndown Church of England Primary School wants to achieve the best value for money in all its purchasing and contracting. This means the purchase of goods and services need to be of the right quality, quantity and at the best price possible. It also attempts to protect individuals and to ensure that public money is spent without any personal gain.

The School adheres to the Kent County Council (KCC) Financial Controls for School Regulations and the procedure for spending the council's money as laid down in the KCC Scheme for Financing Schools.

The fundamental **principles** of our Procurement and Purchasing systems are:

- **Probity** - it must be clear that there is no private gain in the school's contractual relationships;
- **Accountability** - the school is accountable for its expenditure and the conduct of its affairs;
- **Fairness** – those that have dealings with the school are treated on a fair and equitable basis;
- **Value for money** - covering cost of goods or services, quality of good or services and administrative cost (including time) of procurement.

The purchasing of goods and services represents a significant proportion of the school's total expenditure. Efficient purchasing will provide the school with real opportunities of achieving value for money (vfm) and reducing operating costs through lower prices for goods and services. The procurement process should take into account the administrative cost of raising orders and processing invoices.

Goudhurst & Kilndown Church of England Primary School believes that goods and services should be acquired by fair competition and that all purchasing should be based on good practice and be in accordance with the following objectives;

- to supply the organisation with the right goods and services, at the right quality, at the right time, at the most advantageous cost.
- to promote the delivery of value for money through good procurement practice, utilising the most cost efficient and effective methods for procuring goods and services.
- to identify opportunities for working with others, in order to widen the scope for maximising purchasing power and identifying innovation.
- to develop lasting relationships with contractors and suppliers, whilst ensuring that VfM and continuing high performance can be demonstrated.
- to give due consideration to good governance, and to ensure transparency of arrangements.
- to give consideration to sustainable, ethical, social and environmental issues.
- to comply with all relevant UK legislation.

Preliminary Requirement – Delegated Authority Limits

In accordance with the School Finance Policy, the following limits apply for the ordering of goods and services:

The **Headteacher** may authorise expenditure for goods, works and services up to a value of £ 5,000

The **Full Governing Body** approves expenditure for goods, works and services in excess of £ 5,000

Requirement to obtain quotations / tenders (KCC Regulations/School Finance Policy)

It is important to consider the length of contract where a service is provided. The Contract value is determined by the annual cost multiplied by the number of years of the contract term.

For goods and services up to a value of £1,000 there is no requirement to obtain written quotations; however, it is good practice to compare prices in supplier catalogues where goods are purchased regularly and therefore

the total spend over

For goods and services with a value of £1,001 to £5,000, at least one written quotation should be sought. Telephone quotations are acceptable if they are evidenced and a written quotation is received prior to a purchase decision being made.

Goods and services with a value of £5,001 up to £50,000 are subject to a minimum of three competitive quotations in writing. Telephone quotations are acceptable if they are evidenced and a written quotation is received prior to a purchase decision being made. Above £8,000, the KCC Model Request for Quotation Document should be used. The Kent Business Portal may also be used as it enables many KCC approved suppliers to provide a quotation. **(see Appendix A)**

Goods and Services with a value in excess of £50,000 are subject to competitive tendering. If a compliant framework is not being used, an advert should be placed, preferably on the Kent Business Portal which is free of charge and the KCC Contract Award process should be followed **(see Appendix B)**.

Purchases over £172,514 in value fall under EU procurement rules which require advertising in the Official Journal of the European Union (the current threshold for EU procurement as at September 2016 is £172,514 for supplies and services and £4,322,012 for works). Professional advice from the KCC Procurement team should be sought in the first instance.

Where a quotation other than the lowest is accepted, the reasons for this decision (e.g. unique product, higher quality, better meets desired learning outcomes etc) must be reported to the governing body and included in the minutes of the relevant meeting.

Forms of Tender

There are three forms of tender: **open, restricted and negotiated**. The circumstances in which each should be used are described below. Before entering into any tendering process due consideration must be given to the type of Tendering process that should be applied.

This is where all interested suppliers are invited to tender. This type of Tender is advertised (Kent Business Portal). This is the preferred method of tendering, as it is most conducive to competition and avoidance of corruption – but needs to take into account the cost of procurement for both the school and suppliers, and may not therefore be the most proportionate process in all cases.

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 might come forward or the nature of the goods is such that only specific suppliers can be expected to meet the 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,
- Urgency exists,
- Additional deliveries by the existing supplier are justified.

Selection of Companies invited to tender

The appropriate committee according to the delegated authority in the School Finance Policy will draw up a list of the organisations invited to tender. The list will be reviewed and agreed by the Headteacher and School Business Manager, who will check Governors' interests in any of the organisations. The appointed consultants, if employed, or the School will send out invitations to tender.

Appointment of Consultants for the provision of major works and/or services

Where the School plans to go out to tender for a major project and does not have the necessary expertise in-house, the Governors, the Headteacher and the School Business Manager, together with any relevant officer from Kent County Council and/or the Diocese of Canterbury, will draw up a list of consultants with relevant experience and acceptable fees. After consultation they will recommend a firm of consultants to the relevant committee for approval for the particular work to be done. They must ensure that the consultants follow the required tendering procedures.

Where consultants are to be employed, the Headteacher will confirm the appointment of the consultants in writing to them following approval by the governors. The fee rates are also confirmed in writing.

The consultants will draw up the specification identifying the work to be performed in conjunction with the Headteacher and any other person with a relevant interest depending on the work to be done, e.g. Senior Management Team, Business Manager, ICT Co-ordinator, ICT Technician etc.

NB: Any major project must be in-line with the School Development Plan.

Tender Specification

This should include:

- Scope and objective of the project;
- Technical details;
- Health and Safety considerations Insurance requirements;
- Contract terms;
- Payment details;
- Logistical details;
- Form of Tender – this should include the total contract price including VAT implications, a breakdown of the price to specific elements of the works and a Time Scale
- Form of response and deadline (date and time) and address for submitting a tender.

Receipt of Tenders

Tender documents will be sent to the School in plain envelopes clearly marked to indicate they contain tender documents. Envelopes should be time and date stamped on receipt and stored in a safe place prior to opening. More than one person should open all tender documents on the same day. The name of the tenderer and the contract price should be recorded. The written record should be signed by those present at the tender opening.

Tender Evaluation

The tenders will be evaluated on the following criteria:

- Compliance with technical and contractual requirements.
- Price and VAT implication, ensuring the tender price is the total price and that there are no extra costs.
- Arithmetical check.
- Appropriate qualifications of the organisation.
- Knowledge of quality of work and reliability and references from previous customers.
- Previous experience of similar work.

- Previous experience of working with the School or Schools
- Time scale involved.
- Financial status of the supplier.
- After sales service.
- Conformity with ethos and policies of the School.

It is recommended that a scoring matrix is established which identifies and ranks all the requirements from the tender and scores each bid on each component to help reach a decision and provide evidence of how the decision was made. In all cases a formal report should be prepared summarising the scoring outcome.

The relevant Committee will decide or recommend (as appropriate) to the Governing Body the tender to be accepted. Where it is recommended that the lowest tender is not accepted, the rationale behind the decision should be documented. No work may commence until formal letters of approval are issued.

Leases (see KCC Scheme for Financing Schools)

There are strict financial guidelines in place regarding lease classification and without detailed knowledge of these it is impossible for schools to decide what they can sign with any certainty. The Headteacher and/or Governors to seek independent legal advice to determine what type of lease they are being offered prior to signing.

Finance Leases constitute a credit arrangement and are classified as borrowing. **Schools are not permitted to enter into such agreements.**

Operating Leases or Rental Agreements are arrangements to pay for the USE of equipment/services over a set period of time. Ownership of the equipment/service remains with the supplier who will expect to sell the asset at the end of the lease period. Schools may use this type of agreement.

Contracts

Any non-routine tenders or purchases, such as leases, are subject to a contract between the School and the supplier which is to be signed before the contracted work begins or the delivery of goods.

The contract(s) should clearly set out (as applicable):

- The scope of work with detailed and accurate specifications;
- The timeline and completion date of the work(s);
- Dates for completion of works;
- Quality controls on work(s);
- The agreed fees/charges and payment date(s);
- Specification of the goods to be delivered (as applicable).

Copies of all contract documentation must be filed in a Contracts Register and all on-going service contracts entered on the Contracts Spreadsheet.

Requirement to raise Official Purchase Orders

Official orders should be used for all goods and services except utilities, rents, rates and petty cash payments. Where urgency requires an oral order, this should be confirmed by a written order. Upon the agreed award of a contract, a Purchase Order must be raised on the FMS Finance Software in addition to the Successful Tender letter issued to the Contractor.

Orders should be used only for goods and services provided to the school. Individuals must not use official orders to obtain goods or services for their private use.

All orders must be signed by a member of staff designated in the School Finance Policy approved by the

governing body.

The signatory of the order should be satisfied that the goods or services ordered are appropriate and needed, that there is adequate budgetary provision and that quotations or tenders have been obtained if necessary.

When an order is placed the FMS System, the estimated cost is committed against the appropriate budget allocation so that it features in subsequent budget monitoring.

The school should check goods and services on receipt to ensure they match the order and the order should be marked accordingly. This should not be done by the person who signed the order.

Staff and Governor Responsibilities

No governor or member of staff with a relevant pecuniary interest may take part in any aspect of tendering and awarding contracts. How the governing body acts in overseeing the tendering process is crucial in protecting its integrity and that of the Headteacher and other staff. It is vital that the governing body is scrupulous in their attention to the details of tendering and contract processes, and that they record their activities properly. Their actions are such to KCC Compliance scrutiny and may be subject to requests under the Freedom of Information Act.

Appendix A



Flow-Chart-Schools-
8k-50k.pdf

Appendix B



2.Flow-Chart-School
s-Over-50k.pdf