

JOHN TAYLOR MULTI ACADEMY TRUST

Appendix B – Tendering Regulations

All supplies/services ordered with a value over £30,000 must be subject to formal tendering procedures. Purchases within certain higher thresholds can be dealt with under light touch regulations but above those limits will require advertising in the Official Journal of the European Union (OJEU). Please check: <http://www.ojec.com/thresholds.aspx> for current EU procurement threshold limits. Ordering supplies/services which may potentially be over £30,000 must be discussed with the Senior Finance Officer in the School prior to any communication with suppliers. This is to ensure correct procedures are followed from the outset.

Forms of Tenders

There are three forms of tender procedure: open, restricted and negotiated. 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 budget holder must discuss and agree with the Senior Finance Officer 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 of the nature of the supplies/services are such that only specific suppliers can be expected to supply the school'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

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 fulfillment of these requirements to help reach an overall decision.

If a restricted tender is to be used then an invitation to tender must be issued. If an open tender is to be 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
- 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
- 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 School. 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.

Tendering 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 up to £50,000- two from: the budget holder/Head(s) of School JTMAT Chief Operating Officer and the Chief Executive Officer
- for higher value contracts for supplies/services: JTMAT Chief Operating Officer, the CEO plus a member of the Trust Board.
- 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.

Tendering Procedures

The evaluation process should involve at least two people. Those involved 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. For contracts over £50,000 a report should be prepared for the LGB Managing and Organising Committee, highlighting the relevant issues and recommending a decision. For contracts for supplies/services which fall into the light touch or OJEU threshold levels the decision and criteria should be reported by the Managing and Organising Committee to the Trust Board for approval.

Where required by the conditions attached to a specific grant from the DfE, the department's approval must be obtained before the acceptance of a tender. The accepted tender should be the one that is economically most advantageous to the School. All parties should then be informed of the decision.

Request to waiver Trust procurement procedures

The Trust recognises that occasionally works and services may need to be procured outside of the formal process for procurement. Reference should be made to the requirements for such requests within section 10.1A of the Financial Procedures Administration and Control Handbook.