



Wise Owl Trust

Competitive Tendering/Procurement Policy

Version 2

Approved by Principals: July 2022

Due for review: July 2025

1. Summary

Wise Owl Trust wants to achieve the best value for money from all purchases and at all times. This means purchases need to be in the correct quality, quantity and completed within the appropriate timeframe and at the best price possible.

Purchases should follow the general principles of:

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

2. Routine Purchasing

Budget holders will be informed of their budgets at the latest at the beginning of the academic year. It is their responsibility to manage the budget and to ensure that the funds available are not overspent. A report detailing actual expenditure (including commitments) against budget will be supplied to each budget holder by the Finance team on a regular basis.

A quote or price must always be obtained before any order is placed. Academies may create approved supplier lists for some types of purchases. These can then be used across all Trust academies.

All requisitions from budget holders must be made using the agreed Wise Owl Trust requisition form and entered on the FMS purchase ordering system in line with the approved scheme of delegation. Where a new supplier is to be used, new supplier details should be passed to finance to put on the Purchase Order system. All relevant checks must be made e.g. self-employed status/IR35 etc

The Central Services Team must make appropriate arrangements for the delivery of goods to the academy. On receipt the budget holder or authorised person under the scheme of delegation must undertake a detailed check of the goods received against the goods received note (GRN) and make a record of any discrepancies between the goods delivered and the GRN. Discrepancies should be discussed with the supplier of the goods without delay and the Trust Finance Director advised if appropriate.

If any goods are rejected or returned to the supplier because they are not as ordered or are of sub-standard quality, the academy's Central Services Team will keep a central record of all goods returned to suppliers.

All invoices should be sent to the Central Services Team. All invoices need to be authorised in accordance with the Scheme of Delegation.



Orders are authorised in line with the academy's scheme of delegation.

Invoice receipt will be recorded by the academy's Central Services Team on the FMS system.

Before submitting for payment the Central Services Team must make a detailed check against the order and the GRN.

If there is a query with a supplier the Central Services Team must record details of any communications with the supplier.

3. Orders up to a de Minimis Level

A de minimis level is to be established for all academies within Wise Owl Trust below which Purchase Orders do not have to be raised. Such invoices can only be paid with appropriate sign off by the Principal.

4. Orders under £5,000

One written quotation. Budget holders and administrative staff are however encouraged to obtain further written quotations as appropriate to demonstrate value for money:

- can be ordered by budget holders, who will be responsible for ensuring that reasonable steps have been taken to achieve Best Value. Best Value could be achieved by:
 - i. supplier chosen from the list of approved suppliers on FMS
 - ii. bulk purchasing of common consumables
 - iii. negotiating discounts
 - iv. taking advantage of sale seasons
 - v. obtaining alternative quotations wherever possible

5. Orders over £5,000 but less than £25,000 - at least three written quotations should be obtained for all orders between £5,000 and £25,000 to identify the best source of the goods/services. The Trust/ Governing Bodies may also establish a list of approved suppliers who consistently provide best value for a period of not more than 2 years. Written details of quotations obtained should be prepared and attached to the purchase order for audit purposes. Telephone quotes are acceptable if these are evidenced, and emailed confirmation of quotes has been received, before a purchase decision is made.

6. Orders over £25,000 but less than £75,000 - all goods/services ordered with a value over £25,000, or for a series of contracts which in total exceed £25,000, must be subject to three written quotations and must be referred to the respective Finance & Resources Committee for formal approval

7. Orders above £75,000 and up to EU Thresholds - all goods/services ordered with a value over £75,000, or for a series of contracts, which in total exceed £75,000 will be subject to formal tendering procedures.



8. Orders over EU Threshold - purchases over £177,897 (threshold for goods and services 1st January 2022) & £4,447,447 (threshold for works – January 2022) may fall under EU procurement rules, which require advertising in the Official Journal of the European Union.

9. Exceptions from the Requirement to Follow a Competitive Process

The Finance, Risk & Audit Committee may exercise an exception to the competitive processes if

- The Local Authority.
- Only one contractor can provide the goods, services or works required and there is no reasonable alternative contractor.
- The contractor has previously (within 18 months) provided Best Value quotation at another academy within the Trust
- The goods/services are part of a Trust wide common specification
- The need for the goods, services or works is so urgent that the time needed for tendering would be prejudicial to the academy or Trust's interests
- Prices are controlled by Government order.

The Finance, Risk & Audit Committee will specifically minute the exercise of any of these exceptions. Where the expected contract value is in excess of £75,000, the Finance, Risk & Audit Committee must consult the Trust, and have regard to their advice before exercising any of these exceptions. There are however no exemptions to the EU Procurement processes unless part of a previous Framework

10. Purchases from Consortiums

All purchases from established Buying Consortia (e.g. Crown Commercial Services, Crescent Purchasing Consortium) are deemed to comply with this Procurement Policy. Goods and Services can be bought via pre-existing, EU compliant Framework Agreements/Contracts (ensuring the specific process applicable to the Framework Agreement/Contract is followed) without running a full Tender process as detailed above. It is the purchaser's responsibility to ensure that any identified pre-existing Framework Agreement/Contract is fully EU compliant, and the appropriate method (e.g. mini-competition) to procure within the Framework Agreement/Contract is adhered to.

11. Debit/Purchase Card

Debit/purchase card usage should follow the above process and, additionally wherever practicable, pre-approval should be obtained.

12. Forms of Tender

There are three forms of tender procedure: open, restricted and negotiated and 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 Trust Finance Director 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 goods are such that only specific suppliers can be expected to supply the academy'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 is given to:

- Objective of project
- Overall requirements
- Technical skills required
- After sales service requirements
- Delivery time of goods/services
- Form of contract.

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.

13. Invitation to Tender

If a restricted tender is to be used then an invitation to tender must be issued. If an open tender is 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 and
- Form of response.



14. 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.

15. Tender Acceptance Procedures

The invitation to tender should state the date and time by which the completed tender document should be received by the academy. 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.

16. Tender 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 over £75,000 – Principal, CEO and the Trust Finance Director

A separate record should be established to record the names of the firms submitting tenders and the amount tendered. All people present at the tender opening must sign this record



17. 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.

Where required by the conditions attached to a specific grant from the ESFA, 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 academy. All parties should then be informed of the decision

18. Contracts

Any non-routine tenders or purchases, such as leases, are subject to a contract between the academy 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 appropriately and details of the lease sent to the Trust Finance Director. All leases must be approved the Wise Owl Trust.

Only the Principal has the authority to sign the lease agreement.

19. Related Party Transactions

Trustees will avoid conflicts of interest, declare their interest in proposed transactions and arrangements, and will not accept benefits from third parties.

All members, trustees, local governors and senior employees will complete the register of interests

No member, trustee, local governor, employee or related individual will use their connection to the Trust for personal gain, including payment under terms that are preferential to those that would be offered to an individual or organisation with no connection to the Trust.



Empathy

Excellence

Empathy

Excellence

Resilience

Self-Aware

Resilience

Passion

Self-Aware

Communication

Teamwork

Communication

Teamwork

Payments to trustees by the trust will only be made where permitted by the articles, or by the authority of the Charity Commission, and comply with any relevant agreement with the Secretary of State.

All related party transactions will be managed with due regard to ESFA guidance: 'declare or seek approval for related party transactions: summary guidance'

