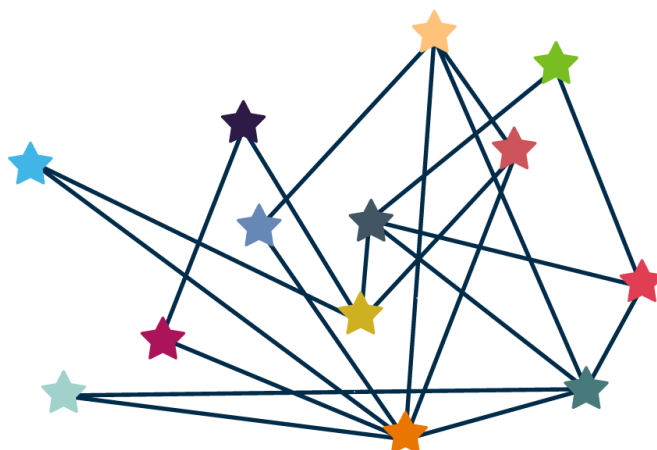


# ULT Procurement and Tendering Policy



**UTTOXETER**  
LEARNING TRUST  
INSPIRED TEACHING  
INSPIRING CHILDREN

**Approved: Spring Term 2023**  
**Due for review: Spring Term 2024**

# UTTOXETER LEARNING TRUST PROCUREMENT & TENDERING POLICY

## FORWARD

Other than in emergencies and the following circumstances:

1. for the supply of gas, electricity, water, sewerage and telephone services;
2. for specialist services such as are provided by solicitors, accountants, surveyors and planning consultants;
3. for work to be executed or goods or materials to be supplied which consist of repairs to or parts for existing machinery or equipment or plant;
4. for work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by the contractor which was not known at the time of the original supply;
5. for additional audit work of the external auditor;
6. for goods or materials proposed to be purchased which are proprietary articles and/or are only sold at a fixed price: and
7. In circumstances where continuity of supplier is considered by the CEO to offer greater benefits to the Schools than retendering.

All orders for goods and services are subject to the following rules concerning quotes and tenders and where it is deemed appropriate the Crown Commercial Service Frameworks may be used.

## QUOTATION AND TENDERING:

The minimum required numbers of tenders or quotations from appropriate contractors for a given estimated value of contract are:

- Orders of £1,000 and below – consideration to be given to at least 2 alternative suppliers wherever possible and evidence attached to requisition order or research and if any quotes have been sought.
- Above £1,000 and up to £2,500 – at least two written or emailed quotes should be obtained for all orders to identify the best source of the goods and services. These should be recorded on or attached to the requisition forms.
- Above £2,500 (£5,000 for works) and up to £15,000, three written quotations;
- Above £15,000 and up to £50,000, three formal quotations to be submitted in writing by a specified date and time and based on a written specification and evaluation criteria;

- Above £50,000 and up to Procurement Policy Note 10/21 December 2021- Goods or services ordered with a value over £50,000 or for a series of contracts in which the total exceeds £50,000 must be subject to formal tendering procedures.
- Procurement Policy Note (PPN 10/21) please see appendix for values

The values are for single items or groups of items, which must not be disaggregated artificially.

## **PROCEDURES:**

All purchases with a value greater than £50,000 must be put out to formal tender. The following procedures must be followed in such circumstances:

1. A specification will be prepared, authorised by the chair of the relevant committee and CFO and sent to at least three suppliers. It is anticipated that for any major building works of a value greater than £50,000 the services of an architect would be considered and engaged if appropriate to deal with the handling of specifications and suitability to tender.
2. 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.
3. All replies, if to the school, should be addressed to the CFO in a plain sealed envelope marked 'Tender' to reach him/her by a specified date. All replies must be kept sealed until that date and passed to the chair of the relevant committee.
4. 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,
5. No contractor will be allowed to amend the tender after the time fixed for receipt.
6. The CFO will open a separate correspondence file for each tender which will contain copies of all correspondence or other relevant information.
7. For purchases up to £50,000, provided the expenditure is included in the budget, the decision as to which tender to accept will be taken by the CFO in consultation with the CEO and a trustee/LGB member.
8. For purchases exceeding £50,000, provided the expenditure has been budgeted for, the decision as to which tender to accept will be taken by the CFO in consultation with the CEO and a trustee/LGB member.

9. 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 ULT Finance and Audit Committee, in line with their terms of reference and then ratified by the ULT Board.
10. 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 ULT Board.

### **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 ULT.
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 successful contractor should be informed that the school is a NON-SMOKING site.

*The ULT Funding Agreement should be considered when applying this policy.*

## **APPENDIX A**

### **Procurement Policy Note – New Thresholds Values and Inclusion of VAT in Contract Estimates**

#### **Action PPN 10/21 December 2021**

##### **Issue**

1. This PPN provides advanced notification of the new threshold values to apply for the purposes of the Public Contracts Regulations 2015, Utilities Contracts Regulations 2016, Concession Contracts Regulations 2016 and the Defence and Security Public Contracts Regulations 2011.
2. This PPN sets out a change to the methodology for estimating contract values to be inclusive of VAT for the purposes of applying the thresholds. This does not require a change to the publication of procurement notices.

##### **Dissemination and Scope**

3. The contents of this PPN apply to all contracting authorities, as defined by the Regulations. This includes all central government departments, their executive agencies, non-departmental public bodies and the wider public sector. Together these are referred to in this PPN as 'In-Scope Organisations'. Please circulate this PPN within your organisation, drawing it to the attention of those with a commercial and procurement role.

##### **Timing**

4. In-Scope Organisations must apply the provisions of this Procurement Policy Note from 1 January 2022.

##### **Background**

5. The threshold values at which public procurement opportunities are subject to the full suite of regulations governing public contracts are due to be updated. They are revised every two years to take account of currency fluctuations, and to ensure the UK complies with its obligations under the World Trade Organisation's Agreement on Government Procurement (GPA).
6. Annex A sets out the revised threshold values for public contracts, utilities contracts, concession contracts and defence and security contracts from 1 January 2022.
7. When calculating the estimated value of the contract to determine whether the regulations apply, the contract value estimation should be inclusive of VAT (where applicable) from 1 January 2022.
8. This is a change in practice, as a result of the UK's independent membership of the GPA. The revised thresholds have been calculated in accordance with established GPA practice. Procurers should calculate the estimated value of a contract based on the total amount payable including VAT without making a deduction for any available VAT recovery.
9. The suggested, but not prescriptive, default for calculating VAT is to add an equal amount to the standard rate of VAT (currently 20%) to the contract estimation net amount. This would remove any problems of underestimating the contract value.

10. The threshold values for small lots, light touch regime services and below threshold regulations are not subject to the two year currency fluctuation amendment required to comply with our GPA obligations. Contract values should be estimated inclusive of VAT for compliance with all thresholds.
11. For the purposes of advertising, the estimated contract value will continue to be provided exclusive of VAT. Similarly for contract award notices, these will continue to be published exclusive of VAT.

### **Contact**

12. Enquiries about this PPN should be directed to the Crown Commercial Service Helpdesk on 0345 410 2222 or [info@crowncommercial.gov.uk](mailto:info@crowncommercial.gov.uk).

## Annex A – Summary of Threshold Levels from 1 January 2022

### **The Public Contracts Regulations**

Supplies & Services (except subsidised services contracts)

Central Government bodies<sup>1</sup> £138,760

Others £213,477

Subsidised services contracts

All bodies £213,477

**Works** (including subsidised works contracts)

All bodies £5,336,937

**Light Touch Regime for Services**

All bodies £663,540

#### **Small lots**

Supplies and services £70,778

Works £884,720

### **The Utilities Contracts Regulations**

Supplies and Services

All sectors £426,955

Works

All sectors £5,336,937

Small lots

Supplies and Services £70,778

Works £884,720

### **The Concession Contracts Regulations**

Concession contracts £5,336,937

### **The Defence and Security Public Contracts Regulations**

Supplies and Services

All sectors £426,955

Works

All sectors £5,336,937

**Small lots**

Supplies and Services £70,778

Works £884,720

<sup>1</sup> Defined by the Public Contracts Regulations 2015 as the Crown and all the bodies listed in Schedule 1