



Pennine Academies Yorkshire

Procurement Policy

Date Policy Updated:	May 2020
Date Policy Ratified:	27 May 2020
Date Policy to be Reviewed:	May 2021

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1. Quotation and Tendering

The minimum required numbers of tender requests for quotations from appropriate contractors for a given estimated value of contract are summarised in the Table below.

Value of Contract / Order (excl VAT)	Process
Less than £10,000	1 Fixed Price Quote
£10,001 - £50,000	3 Fixed Price Quotes
+£50,000	Formal Tender
Orders above EU Procurement Thresholds	Formal EU Tender Rules

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

The sterling equivalents of EU thresholds are changed on 1 January of each even-dated year. The Chief Financial Officer will provide the latest values when necessary. For 2020/21 the OJEU limits are £189,330 for goods and services and £4,733,252 for building works.

For tenders expected to exceed EU thresholds, advertisements must also be placed in OJEU (the Official Journal of the European Union) and the Trust must follow EU procurement requirements with particular regard to be given to the timescale for such tenders.

2. 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 Finance, Audit and Risk Committee and Chief Executive Headteacher (CEH) and sent to at least three suppliers. It is anticipated that for any major building works of a value greater than £5,000 the services of an architect would be engaged 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:

an introduction/background to the project;

- a) the scope and objectives of the project;
- b) any technical requirements;
- c) implementation details for the project;
- d) the terms and conditions of the tender; and
- e) 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 should be addressed to the Chief Financial Officer or 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 Chief Financial Officer 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 £30,000, provided the expenditure is included in the budget, the decision as to which tender to accept will be taken in line with the Trust's Authority Matrices (Appendix One).
8. For purchases exceeding £30,000, provided the expenditure has been budgeted for, a decision will be recommended by the Finance, Audit and Risk committee. The decision will need to be ratified by the Board of Trustees.
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 Finance, Audit and Risk Committee, in line with their terms of reference and then ratified by the Board of Trustees.
10. The reasons for accepting a particular tender must be documented, especially if it is decided to accept other than the lowest tender.

3. 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 Trust.
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 an education 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 Trust.

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 our sites are NON SMOKING sites.

The Schools' Funding Agreement should be considered when applying this policy

Statement

This policy should be read in conjunction with the following policies:

Accounting Policy

Investment Policy

Sign Off

This Policy will be reviewed by the Finance, Audit and Risk Committee on a 3-yearly cycle and must be approved by the Board and signed by the Chair of the Trustees.

Approved By (print name):	Nick Briggs
Role Title:	Chair of Trustees
Signature:	
Date:	27 May 2020

Appendix One – Pennine Academy Yorkshire Trust Authority Matrices

Authorisation Matrix - Schools	(Applies to all transactions that are included in the Schools Budget. Any Transactions outside the Schools Budget must be approved by CEO/CFO and the Board).				
Transaction Type	Transaction Description	Contract/Order Value Limit (Excl VAT)	Authorisation Required		
			First Level	Second Level	Third level
Purchasing - Capital Items	Land and Buildings	Any Value	CEH and CFO	Board	ESFA
	Property Leases	Any Value	CEH and CFO	Board	ESFA
	Leasehold Improvements	Less than £5,000	HT and BP		
	Leasehold Improvements	£5,001 - £30,000	HT and BP	CEH and CFO	
	Leasehold Improvements	+£30,000	HT and BP	CEH and CFO	Board
	Furniture and Equipment (non IT)	Less than £5,000	Budgetholder		
	Furniture and Equipment (non IT)	£5,001 - £10,000	HT and BP		
	Furniture and Equipment (non IT)	£10,001 - £30,000	HT and BP	CEH and CFO	
	Furniture and Equipment (non IT)	+£30,000	HT and BP	CEH and CFO	Board
	IT Equipment and systems	Less than £5,000	IT Manager		
	IT Equipment and systems	£5001 - £30,000	IT Manager	CEH and CFO	
IT Equipment and systems	+£30,000	IT Manager	CEH and CFO	Board	
Purchasing - Supplies & Services (Non IT)	Operating Leases	Any Value	HT and BP	CFO	
	Term Contract for Supplies and Services	Less than £10,000	HT and BP		
	Term Contract for Supplies and Services	£10,001 - £30,000	HT and BP	CEH and CFO	
	Term Contract for Supplies and Services	+£30,000	HT and BP	CEH and CFO	Board
	Non term contract Supplies and Services	Less than £5,000	Budgetholder		
	Non term contract Supplies and Services	£5,001 - £25,000	HT and BP		
	Non term contract Supplies and Services	£25,001 - £30,000	HT and BP	CEH and CFO	
Non term contract Supplies and Services	+£30,000	HT and BP	CEH and CFO	Board	
Purchasing - IT Supplies & Services	Term Contract for Supplies and Services	Less than £5,000	IT Manager		
	Term Contract for Supplies and Services	£5001 - £30,000	IT Manager	CEH and CFO	
	Term Contract for Supplies and Services	+£30,000	IT Manager	CEH and CFO	Board
	Non term contract Supplies and Services	Less than £5,000	IT Manager		
	Non term contract Supplies and Services	£5,000 - £30,000	IT Manager	CEH and CFO	
Non term contract Supplies and Services	+£30,000	IT Manager	CEH and CFO	Board	
Staffing	Staff Appointment (excl HeadTeacher)	Within Budget	HT and BP		
	Staff Appointment (excl HeadTeacher)	Outside budget	HT and BP	CEH and CFO	Board
	HeadTeacher Appointment	Benchmarked	CEO/CFO	Board	
	Agency Staff	Less than £5,000	HT and BP		
	Agency Staff	+£5,000	HT and BP	CEH and CFO	
	Staff Overtime	Less than £500	HT and BP		
	Staff Overtime	+£500	HT and BP	CEH and CFO	
	Staff Expenses	Less than £500	HT and BP		
	Staff Expenses	+£500	HT and BP	CEH and CFO	
	Staff Severance Payments - Contractual	Upto £30,000	HT and BP	CEH and CFO	
	Staff Severance Payments - Contractual	+£30,000	HT and BP	CEH and CFO	Board
Staff Severance Payments - Non Contractual	Upto £50,000	HT and BP	CEH and CFO	Board	
Staff Severance Payments - Non Contractual	+£50,000	CEO/CFO	Board	ESFA	
Insurance	Staff Absence Insurance	Within Budget	HT and BP		
	Motor Vehicle Insurance	Within Budget	HT and BP		
	All other Insurance	Any Value	CFO	Board	
Loans and Finance	Loans	Any Value	CEO/CFO	Board	ESFA
	New Bank Accounts	N/A	CEO/CFO	Board	
	Finance Leases	Any Value	CEO/CFO	Board	ESFA
Payments - Goods and Services	BACS	Upto £500,000	BP and CFO		
	Cheques	Any Value	2 approved cheque signatories		
	New Procurement Cards	N/A	CFO	CEH	
	Standing Orders and Direct Debits	Any Value	2 approved cheque signatories		
Suppliers	New Suppliers	Less than £5,000	BP		
	New Suppliers	+£5,000	BP	CFO	
Schools Budgets and Forecasts	Annual Budget	Target Surplus	HT and BP	CEH and CFO	Board
	Reforecast	= or > Budget	HT and BP	CEH and CFO	Board
	Three Year Plan	Target Surplus	HT and BP	CEH and CFO	Board

Authorisation Matrix - Central MAT	(Applies to all transactions that are included in the Trust's Budget. Any Transactions outside the Trust's Budget must be approved by the Board).				
Transaction Type	Transaction Description	Contract/Order Value Limit (Excl VAT)	Authorisation Required		
			First Level	Second Level	Third level
Purchasing - Capital Items	Land and Buildings	Any Value	CEH and CFO	Board	ESFA
	Property Leases	Any Value	CEH and CFO	Board	ESFA
	Leasehold Improvements	Less than £30,000	BP and CFO	CEH	
	Leasehold Improvements	+£30,000	BP and CFO	CEH	Board
	Furniture and Equipment (non IT)	Less than £10,000	BP and CFO		
	Furniture and Equipment (non IT)	£10,001 - £30,000	BP and CFO	CEH	
	Furniture and Equipment (non IT)	+£30,000	BP and CFO	CEH	Board
	IT Equipment and systems	Less than £5,000	IT Manager		
	IT Equipment and systems	£5001 - £30,000	IT Mgr and CFO	CEH	
Purchasing - Supplies & Services (Non IT)	IT Equipment and systems	+£30,000	IT Mgr and CFO	CEH	Board
	Operating Leases	Any Value	BP	CFO	
	Term Contract for Supplies and Services	Less than £10,000	BP and CFO		
	Term Contract for Supplies and Services	£10,001 - £30,000	BP and CFO	CEH	
	Term Contract for Supplies and Services	+£30,000	BP and CFO	CEH	Board
	Non term contract Supplies and Services	Less than £5,000	CFO		
	Non term contract Supplies and Services	£5,001 - £25,000	BP and CFO		
Purchasing - IT Supplies & Services	Non term contract Supplies and Services	£25,001 - £30,000	BP and CFO	CEH	
	Non term contract Supplies and Services	+£30,000	BP and CFO	CEH	Board
	Term Contract for Supplies and Services	Less than £5,000	IT Manager		
	Term Contract for Supplies and Services	£5001 - £30,000	IT Mgr and CFO	CEH	
	Term Contract for Supplies and Services	+£30,000	IT Mgr and CFO	CEH	Board
Staffing	Non term contract Supplies and Services	Less than £5,000	IT Manager		
	Non term contract Supplies and Services	£5,000 - £30,000	IT Mgr and CFO	CEH	
	Non term contract Supplies and Services	+£30,000	IT Mgr and CFO	CEH	Board
	Staff Appointment (Excl CEO)	Within Budget	CFO		
	Staff Appointment (Excl CEO)	Outside budget	CFO	CEH	Board
	CEO Appointment	Benchmarked	Board		
	Agency Staff	Less than £5,000	CFO		
	Agency Staff	+£5,000	CFO	CEH	
	Staff Overtime	Less than £500	CFO		
	Staff Overtime	+£500	CFO	CEH	
	Staff Expenses	Less than £500	CFO		
	Staff Expenses	+£500	CFO	CEH	
	Staff Severance Payments - Contractual	Upto £30,000	CFO and BP	CEH	
Staff Severance Payments - Contractual	+£30,000	CFO and BP	CEH	Board	
Staff Severance Payments - Non Contractual	Up to £50,000	CFO and BP	CEH	Board	
Staff Severance Payments - Non Contractual	+£50,000	CEO/CFO	Board	ESFA	
Insurance	Cover for the Trust (excl staff absence and MV)	Any Value	CFO	Board	
Loans and Finance	Loans	Any Value	CEO/CFO	Board	ESFA
	New Bank Accounts	N/A	CEO/CFO	Board	
	Finance Leases	Any Value	CEO/CFO	Board	ESFA
Payments - Goods and Services	BACS	Upto £500,000	BP and CFO		
	Cheques	Any Value	2 approved cheque signatories		
	New Procurement Cards	N/A	CFO	CEH	
	Standing Orders and Direct Debits	Any Value	2 approved cheque signatories		
Suppliers	New Suppliers	Less than £5,000	BP		
	New Suppliers	+£5000	BP	CFO	
Central MAT Budgets and Forecasts	Annual Budget	Target Surplus	CFO and BP	CEH	Board
	Reforecast	= or > Budget	CFO and BP	CEH	Board
	Three Year Plan	Target Surplus	CFO and BP	CEH	Board