



The Kings Academy Trust

Competitive Tendering Policy

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Date of Next Review: September 2024

TENDERING PROCEDURES

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 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 appropriated where:
 - There is a large need to maintain a balance between the contract value and administrative costs,
 - A large number of suppliers would come forward or because the nature of the goods are such that only specific suppliers can be expected to supply the Academy's requirements.
 - The cost 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).

Invitation to Tender

If a restricted tender is to be used 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
- 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 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.

British Standards

Where an appropriate British Standard specification or British Standard Code of Practice issued by the British Standards Constitution is current at the date of the tender, every contract shall require that, as the case may be, all goods and materials used or supplied and all workmanship shall comply with, or in terms of fitness or suitability for the purpose, safety, durability, finish and appearance to be equivalent to standard, at least.

Preventing Collusion

Before entering into a contract which has been the subject of the invitation of tenders, there shall be obtained from the contractor an assurance in writing that he/she will not follow or has not followed in relation to the contract, the under mentioned practices:

- communicating to any other than the person calling for tenders the amount of any proposed tender in accordance with any agreement or arrangements so to communicate, or
- adjusting the amount of any proposed tender in accordance with any agreement or arrangement by the proposed tender and any person other than the person calling for tenders

Corrupt Practices

There shall be inserted in every written contract a clause empowering the Governing Body to cancel the contract and to recover from the contractor the amount of any loss resulting from such cancellation, if the contractor or any person acting on their behalf whether employed by the contractor or not and whether acting with or without the knowledge of the contractor shall have made any arrangement or agreement with any third party which required either party:

- to fix or adjust his/her tender price or
- refrain from tendering or shall have
- communicated to any person, except the local manager, the amount or approximate amount of his tender otherwise than in confidence to obtain premium quotations for insurances or a bond
- given, agreed to give, offered to give or promised any person (directly or indirectly for the benefit of that person or any other) any gift, loan, fee, reward or other consideration or otherwise on account of such person having done, agreed or forborne to do anything in relation to any other tender or proposed tender for any contract, or
- shall show favour or disfavour to any person in relation to any contract with the Governing Body

For the purposes of these regulations the word 'person' includes any person or any organisation or association corporate or incorporate and informal whether or not legally binding.

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 submission deadline should not normally be accepted.

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 up to £25,000 - two of the budget holders, the Chair of the Trust Board or the Executive Principal.
- For contracts over £25,000 - The Executive Principal plus a member of the Finance and Audit Committee

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.

Tender 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 and for contracts over £25,000 a report should be prepared for the Finance and Audit Committee highlighting the relevant issues and recommending a decision. For contracts under £25,000 the decision and criteria should be reported to the Finance and Audit Committee.

Where required by the conditions attached to a specific grant from the EFA, the department's approval must be obtained before the acceptance of a tender.

The Academy tender should be the one that is economically most advantageous to the Academy. All parties should then be informed of the decision.