



HECKMONDWIKE
GRAMMAR SCHOOL

Heckmondwike Grammar School Academy Trust
Financial Delegated Authority

Delegation	Value	Delegated Authority & Method
Ordering goods and services (raising requisitions & non-order invoices)	Up to £15,000	Assistant Finance Director (AFD), Finance Director (FD) or Headteacher / Accounting Officer (HT/AO) <i>Duty to obtain 'Best Value'</i>
	£15,001 to £30,000	FD or HT/AO <i>Duty to obtained three written quotes¹</i>
	£30,001 to £50,000	Chair of the Board of Governors <i>Duty to obtained three written quotes¹</i>
	Over £50,000	Finance & Risk (F&R) Sub-Committee <i>Formal tender process²</i>
Operating leases / contracts (< 1 year)	Up to £30,000	FD or HT/AO
	Up to £50,000	Chair of the Board of Governors
	Above £50,000	F&R Sub-Committee
Operating leases / contracts (over 1 year)	Up to £10,000	HT/AO
	Above £10,000	F&R Sub-Committee
Capital schemes	All significant capital scheme (assumption over £50,000)	F&R Sub-Committee <i>Formal tender process</i>
Borrowing (including Finance leases & overdraft facilities)	All	ESFA approval is required (as per Academy Trust Handbook)
Petty cash	Up to £50	Reimbursement (this will be minimal as preference is via bank transfer)
	£500	Advance for trips
	£500	Maximum bank withdrawal at any one time
	£5,000	Maximum to be held on site.
Bank payments, including BACS & online bank transfers ³ (for invoices, pay & other payment runs, payment on accounts, deposits and refunds)	All	2 signatures and online bank approvals (currently from AFD, FD & HT/AO)
Cheque signatories	All	2 signatories personnel as noted on the bank mandate (this should be minimal preference is via bank transfer)
HT/AO & DF Expenses	All	DF or HT/AO to sign off each other's expenses
VAT	All	The HT/AO will ensure that VAT is accounted for in accordance with legislation & regulation.



¹ *Three written quotes*

Where the value of a purchase is estimated to exceed £15,000, in exceptional circumstances or where goods and services specialist nature / repair, or where there may be compatibility issues (ICT), it may not be possible to obtain three written quotes. Where this applies, the Headteacher / Accounting Officer or Finance Director will report to the next F&R Sub-Committee. Where a quote is accepted under delegated authority by the Headteacher / Accounting Officer, which is other than the lowest received, the Headteacher / Accounting Officer or Finance Director must report the circumstances to the next F&R Sub-Committee.

² *Formal tender process* – see appendix A

³ *Online bank transfers*

Payments can be scheduled for same day or next day and beyond. The preference is for the next day and beyond as same day payments incur higher bank charges. However, the latter will be used where occasions dictate.

TENDERING

(i) Tendering Process

All goods/services ordered with a value over £50,000, or for a series of contracts which in total exceed £50,000, will be subject to formal tendering procedures.

Purchases over the threshold may fall under EU procurement rules, which require advertising in the Official Journal of the European Union.

There are 2 separate thresholds above which EU procurement rules apply. These are as follows, and were in place from 1 January 2020:

Supplies and services	£189,330
Works	£4,733,252

Wherever possible, the Academy will make use of purchasing and tendering frameworks offered by DfE approved purchasing consortia such as Crown Commercial Services, Yorkshire Purchasing Organisation (YPO) or Crescent Purchasing Consortium (CPC). These automatically ensure compliance with EU procurement rules.

Where this is not possible then the Academy will undertake its own tendering and evaluation process as follows.

(ii) Form of Tender

There are three forms of tender procedure:

- Open
- Restricted
- Negotiated

The circumstances in which each procedure should be used are described below.

- **Open Tender:** several potential suppliers are invited to tender.

The Finance Director will determine 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 best use of public funds.

- **Restricted Tender:** This is where selected 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 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.



This is the preferred method of tender for most building projects to allow for an assessment of technical ability, commercial standing and financial viability to take place before the Academy enters into large, complex building projects.

- **Negotiated Tender:** The terms of the contract may be negotiated with one or more chosen suppliers. This is appropriate in specific circumstances, for example where:
 - 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.

(iii) Preparation for Tender

Full consideration should be given to:

- the objective of the project
- overall requirements
- technical skills required
- after sales service requirements
- form of contract
- tender timescales
- tender evaluation

The work required will be specified in a detailed tender specification.

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 fulfilment of these requirements to help reach an overall decision.

(iv) Invitation to Tender (ITT)

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.

The school would normally use a restricted tender process. Firms are invited to tender for the service either by the Academy or their appointed agents. At least four firms should be invited to tender by sending identical specifications at the same time. Three written tenders should be obtained unless this is impractical.

If firms are not interested in providing a tender, verbal declines should be minuted, or written decline letters kept on file. If it is impractical to obtain three written tenders, then this should be minuted.

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



The invitation should also state the closing date and time by which the completed tender document should be received by the Academy.

Tenders should be submitted in plain sealed envelopes clearly marked 'PRIVATE & CONFIDENTIAL – TENDER DOCUMENTS'. If more than one tender is running at any one time further details should be added to identify which tender response the submission applies to. The envelopes should be time and date stamped on receipt and stored in a secure place (safe in the Business Office) prior to tender opening.

Tenders received after the submission deadline can be accepted with the approval of the Accounting Officer, particularly where this is likely to ensure that Best Value is obtained from the use of public funds.

(v) Tender Opening Procedures

All tenders submitted should be opened at the same time and the tender details should be checked and recorded.

At least two persons should be present for the opening of tenders for contracts over £50,000 this should be the Headteacher / Accounting Officer and Finance Director.

Tender submissions should be evaluated. The result of the tender exercise will be reported to the next available meeting of the Finance & Risk Sub-Committee.

(vi) Awarding of tender

If after the ITT is closed there is a need to change any later timescales this must be communicated to all firms who have submitted a tender.

Following the evaluation all tender submissions, all submittees should be notified of the results, in line with timescales if stipulated.