



Victoria Academies Trust

Competitive Tendering Policy

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1. Introduction

The aim of this policy is to ensure the judicious application of Victoria Academies Trust's funds, adhering strictly to legal statutes, its foundational articles of association, its funding agreement, and the Academies Trust Handbook. It underscores the necessity for the trust's financial activities to secure broad public endorsement and to uphold the tenets of value for money, which encompasses economy, efficiency, and effectiveness. Moreover, the policy reinforces trustees' commitment to their roles as stewards of charitable assets and as company directors, ensuring that conflicts of interest are identified and managed with due care. It also stipulates that the trust adheres to transparent and open procurement protocols, inclusive of procedures for open tenders. This inclusive approach invites submissions from all potential suppliers for the provision of goods or services, thereby fostering equitable tendering opportunities for all interested entities.

2. Legislation & Guidance

In alignment with the directives set forth in the Academies Trust Handbook, Victoria Academies Trust is mandated to maintain a policy that promotes competitive tendering and adheres to the procurement thresholds established by the Public Contracts Regulations (PCR). This policy is grounded in the following authoritative resources:

- The Academies Trust Handbook
- Guidance from the Department for Education (DfE) on procurement protocols and relevant legalities
- The Public Contracts Regulations 2015

This policy is in full compliance with our funding agreement and the articles of association that govern Victoria Academies Trust.

3. Roles and Responsibilities

3.1 Academy Trustees

Victoria Academies Trust's trustees adhere to stringent protocols to ensure:

- Expenditures reflect prudent financial stewardship and value for money.
- The trust's financial operations garner widespread public approval.
- Appropriate legal or professional advice, such as from external auditors, is utilised when suitable.
- Goods or services from individuals or entities with ties to the trust are provided strictly at cost.
- Those associated with the trust are prohibited from using their connection for personal financial gain.
- Trustees with a material interest in procurement abstain from the decision-making process, as documented in official records like meeting minutes.

To facilitate these responsibilities, the Board of Trustees has established specialised committees that operate under a clearly defined Scheme of Delegation (SoD). These sub-committees, which assist in precise governance areas, include:

- Audit, Finance and Risk (AFR) Committee
- Health & Safety Committee (HS)
- Performance Management and Pay (PMAP) Committee
- Standards Committee (SC)

Each committee is charged with specific tasks that align with their expertise, ensuring a robust and transparent governance structure.

3.2 Delegated Powers

Within the governance framework of Victoria Academies Trust, the responsibilities pertaining to competitive tendering are allocated according to the Scheme of Delegation. This ensures that trustees are empowered to oversee and manage the tendering process effectively within the established guidelines.

3.3 Chief Operating Officer (COO) / Executive Leadership Team (ELT)

The COO, supported by the Executive Leadership Team, has the responsibility for:

- Implementing robust financial governance and risk management frameworks.
- Authorising budgets.
- Delivering pertinent financial information to the finance committee and the academy trustees when required.
- Managing, sanctioning, and facilitating the competitive tendering processes in accordance with the Scheme of Delegation.
- Accepting tenders / quotes that are not the lowest in value.

4. Purchase Thresholds

As defined in the Scheme of Delegation, the following are the set thresholds for purchases:

4.1 De Minimis Level

A mandatory process is in place to raise purchase orders for all expenditure. Notable exceptions are allowed, including for supply teacher cover and pre-authorized Service Level Agreements (SLAs), or where non-order invoices are concerned, which may forego the purchase order process due to the pace of ordering requirement needs. 3 Quotations must be obtained when reviewing for goods and services over £2,501.

4.2 Low to High-Value Purchase Thresholds

The purchase thresholds are categorized as follows:

Low-value purchase: £0 - £7,500

Medium-low value purchase: £7,501 - £25,000

Medium-high value purchase: £25,001 - £50,000

High-value purchase: above £50,000 yet remaining beneath the threshold set by the Public Contracts Regulations (PCR) for procurement.

4.3 PCR Procurement

For contracts anticipated to exceed the Public Contracts Regulations (PCR) threshold for procurement expenditures, the trust will obtain legal counsel to ensure adherence to a PCR-compliant purchasing procedure. Presently, the PCR threshold for all goods and the majority of services is set at £213,477.

There exists a 'light touch regime' that applies a higher threshold of £663,540 for certain services specifically related to educational provision. Legal advice will be sought to ascertain whether any procurement activities conducted by the trust fall under this category.

5. Approval Authority

Reference should always be made to the Scheme of Delegation and the Competitive Tendering Policy to determine the appropriate level of approval authority. The information provided below specifies where the approval authority resides within the current approved Scheme of Delegation, however, it does not detail wider context who is the 'lead' or if 'consultation' should take place.

CONTRACT LEVEL	CONTRACT VALUE	DELEGATED AUTHORITY
De minimis	£2,501 – 3 quotes	Headteacher
Low	£ 0 - £7,500	Headteacher
Medium – Low	£7,501 - £25,000	Head of Finance
Medium – High	£25,001 - £50,000	Chief Operation Officer
High	Over £50,0001	Chief Operation Officer
Over the PCR procurement threshold	Over £213,477	Board of Trustees
'Light touch regime' purchases	Over £663,540	Board of Trustees

6. Framework Agreements

Victoria Academies Trust aims to utilize framework agreements when procuring suppliers. These agreements are pre-established by a contracting authority, often within the public sector, and come with several advantages. They have been subjected to a competitive tendering process, offer preferential terms, and typically include the provision of professional advice and support.

When leveraging such agreements, the Trust will either select the most economically advantageous supplier from the approved list or initiate a mini-competition among the suppliers on the list. In both scenarios, adherence to the Department for Education's procurement guidelines, as mentioned in section 2 of this policy, will be a priority to ensure best practices are maintained. Documentation

detailing the rationale behind the choice of both the framework and the supplier will be meticulously recorded.

7. Contract Valuation

Contract valuation will be conducted by estimating the total cost of ownership for the goods, services, or works over their expected life, inclusive of all associated fees.

When dealing with fixed-term contracts that offer an extension option, the valuation will include both the initial term's cost and the anticipated cost of any extension periods.

It is the Trust's policy to uphold the principles of transparency and fairness in procurement; therefore, the practice of splitting a single contract into multiple parts to circumvent the stipulated purchasing limits, is strictly prohibited. This approach is consistent with procurement regulations, ensuring compliance and ethical procurement practices.

8. Tender Assessment Process

The assessment of tenders will be conducted based on a set of predefined criteria and their respective weightings, which will be clearly specified in the tender documentation. These evaluation standards will typically encompass:

- Cost: The financial implications of the tender.
- Quality: The calibre of goods or services offered.
- Delivery: The reliability, implementation and timing of the supply chain.
- Performance: The ability to meet service level agreements and expectations.
- Risk: Potential challenges and their mitigations.

Additional factors may be included in the evaluation process, tailored to the unique requirements of each tender, and these will be detailed within the individual tender documents.

9. Conflicts of interest

We will report all contracts and other agreements with related parties to the Education and Skills Funding Agency (ESFA) in advance of the contract or agreement commencing.

Related parties include persons and entities with control or significant influence over the academy trust, and members of the same group (e.g. parent and subsidiary companies, key management personnel and close family members).

The trust will obtain the ESFA's prior approval for contracts and other agreements for the supply of goods or services to the trust by a related party where any of the following limits arise:

- A contract or other agreement over £20,000
- A contract or other agreement of any value that would mean the cumulative value of contracts and other agreements with the related party exceeds, or continues to exceed, £20,000 in the same financial year ending 31 August.

See section 33 of Financial Reporting Standard 102 for more information.

10. Tendering Procedure for Low and Medium-Value Purchases

For acquisitions that do not fall under a framework agreement and are of low to medium-low value, the trust will adhere to the following steps:

a. Specification Creation: We will draft a detailed specification document to clarify the requirements for prospective suppliers, including the desired quality, quantity, and delivery timeline.

b. Supplier Comparison: We will conduct an analysis of potential suppliers, taking into account their market standing, to establish a shortlist of at least three candidates to solicit written quotations from.

c. Quote Assessment: The quotes will be evaluated against a set of criteria developed specifically for this purpose. This will cover the supplier's adherence to our specifications and the total lifecycle cost of their offering, inclusive of purchase price, VAT, delivery, maintenance, operational expenses, and disposal costs at the end of the item's service life. We'll also consider potential price fluctuations throughout the contract duration and overall value for money. Each criterion will be rated on a scale from 1 to 5, with 5 being the highest. Documentation of the evaluation will be maintained for records.

A designated staff member in line with the scheme of delegation, will carry out the evaluation of quotes. When reaching out to suppliers, we will provide them with the specification, deadlines for quotations, decision-making timelines, and instructions for submitting clarification queries.

d. Order Placement: After identifying the quote that represents the best value, we will issue a purchase order to the chosen supplier, detailing the goods, services, or works, the agreed price, delivery address, timeline, and payment schedule.

11. Tendering Procedure for High-Value Purchases

High-value purchases outside a framework are exceptional and will only proceed with legal guidance. The process for such instances is as follows:

a. Specification creation as mentioned in section 10.

b. Market Assessment: We will conduct thorough market research to understand the availability of suppliers and determine the most effective means of advertising our contract.

c. PCR Threshold Check: We will verify the school's standing in relation to PCR procurement thresholds as outlined in section 4.

d. Contract Development: The contract will encapsulate terms and conditions, expected service levels, a contract management plan, and an exit strategy.

e. Bid Reduction: We will narrow down the bids by either soliciting expressions of interest or issuing a pre-qualification questionnaire.

f. Quote Assessment Framework Establishment: We will articulate the criteria for assessing bids that meet our specification requirements and offer the most cost-effective solution without compromising quality.

g. Tender Timeline Creation: The timeline will include clarification periods, tender submission deadlines, and the expected contract award date.

h. Invitation to Tender Preparation: This will contain a cover letter, timeline, clarification query instructions, the specification, pricing schedule, contract terms, and management requirements, alongside the award criteria with its scoring system and weightings. If relevant, we may invite suppliers to demonstrate their offerings.

i. Contract Advertisement: We will publicize the contract through channels likely to reach potential suppliers, including the Find a Tender service if above the PCR threshold, the government's Contracts Finder, and relevant publications.

j. Tender Process Management and Clarification Provision

k. Tender Response Evaluation: At least two individuals will independently review and score each proposal, followed by a collaborative review of their assessments. All decision-making and moderation records will be retained.

l. Supplier Notification and Contract Awarding

m. Contract Finalization (and advertisement of award if required)

n. Tender Process Abandonment: In rare cases, the tender process may need to be discontinued, in which event we will promptly inform all bidding suppliers.

12. Record Keeping

All records will be stored securely, retained only as necessary, and in accordance with data protection laws, our privacy policies, and our records management guidelines.

13. Monitoring Arrangements

The responsibility for implementing this policy lies with either the finance committee or the chief financial officer (as appropriate). The board of trustees will review and approve this policy at the stipulated frequency and in response to changes in PCR procurement thresholds.

14. Policy Linkages

This competitive tendering policy is connected to our accounting, investment and reserves policies, as well as the trust scheme of delegation.