

Date ratified at  
Directors Board meeting  
**24 April 2023**

Review  
Resources Committee

**St John the Baptist**



**Catholic Multi Academy Trust**

## **COMPETITIVE TENDERING POLICY**

### **THE TRUST MISSION STATEMENT**

*Inspired by the life of Christ we provide an exceptional education in our Catholic schools which enables our children:*

- to fully embrace all possibilities
- to flourish
- to develop their faith

*and therefore to choose a path that enables them to be a positive influence upon our world.*

**‘Prepare the Way’** *The Gospel of St Mark 1:3*

**St John the Baptist Catholic Multi Academy Trust**  
**Company No: 7913261**  
**Registered Office: Surrey Street, Norwich NR1 3PB**



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## Contents

1. Aims.....	2
2. Legislation and guidance .....	2
3. Roles and responsibilities .....	2
4. Purchase thresholds .....	3
5. Framework agreements .....	3
6. Procurement procedure: low and medium-high value purchases .....	3
7. Tendering procedure: high-value purchases .....	4
8. Monitoring arrangements .....	5
9. Links with other policies .....	5

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## 1. Aims

This policy aims to ensure that:

- The St John the Baptist Catholic Multi Academy Trust's (the Trust) funds are used only in accordance with the law, its articles of association, its funding agreement and the Academies Trust Handbook
- The trust's funds are used in a way that commands broad public support
- Value for money (economy, efficiency and effectiveness) is achieved
- Trustees fulfil their duties and responsibilities as charitable trustees and company directors
- Conflicts of interest are managed adequately and appropriately
- The trust has open and transparent procurement procedures

## 2. Legislation and guidance

The Academies Trust Handbook states that academy trusts are required to have a competitive tendering policy and ensure that the Public Contracts Regulations (PCR) procurement thresholds are observed.

This policy is based on:

- the Academies Trust Handbook
- Department for Education (DfE) guidance on buying procedures and procurement law
- The Public Contracts Regulations 2015

This policy also complies with our funding agreement and articles of association.

## 3. Roles and responsibilities

### 3.1 Academy trustees

Academy trustees will ensure that:

- Spending decisions represent value for money
- The trust's funds are used in a way that commands broad public support
- Relevant legal and professional advice (such as an external auditor) is used, where appropriate
- Goods or services provided by individuals or organisations connected to the trust are provided at no more than cost

- Nobody connected to the trust, directly or indirectly, uses their connection to the trust for personal gain
- Where any trustee has a pecuniary interest in a procurement decision, they exclude themselves from the process and records (e.g. meeting minutes) show that they had no influence on the decision

### **3.2 Resources committee**

Academy trustees delegate competitive tendering responsibilities to the Resources committee.

The committee is responsible for reviewing the trust's tendering processes, and for reporting to trustees on tenders.

### **3.3 Chief financial officer**

The chief financial officer (CFO) is responsible for:

- Ensuring appropriate financial governance and risk management arrangements are in place
- Preparing and monitoring budgets
- Providing information to the Resources committee and academy trustees, as appropriate
- Overseeing and supporting competitive tendering

## **4. Purchase thresholds**

### **4.1 Low to high-value purchase thresholds**

Purchase levels are divided into the following:

- Low-value purchase: £0 - £4,999
- Medium-value purchase: £5,000 - £9,999
- Medium-high-value purchase: £10,000 - £25,000
- High-value purchase: > £25,000, but below the PCR procurement threshold

### **4.2 PCR procurement threshold**

If it is estimated that the cost of a contract is above the PCR threshold for procurement spending, the trust will seek legal advice to ensure it runs a PCR compliant buying process. The current PCR threshold for all goods and most services is £213,477.

A 'light touch regime', with a higher threshold of £663,540 applies for some services that are specifically for education provision. We will seek legal advice to determine if any procurement run by the trust qualifies.

## **5. Approval authority**

The finance policy defines the delegated authority for procurement which falls within the thresholds defined in section 4.1

## **6. Framework agreements**

Where possible, we will use a framework agreement to contract suppliers. These are arrangements that a contracting authority, such as a public sector buying organisation, makes with suppliers. The benefits of frameworks are that they have already been through a competitive tender process and they have favourable terms and conditions. In addition, the framework provider may offer advice and support.

Depending on the framework we choose, we will either pick the best value supplier from a list or run a mini-competition between listed suppliers. In either case, we will follow the DfE guidance on procurement to ensure good practice. The reasons for the choice of framework, and for the choice of supplier, will be clearly recorded.

## 7. Valuing contracts

The value of a contract will be determined by calculating the estimated whole-life value of the goods, works or services, including any related fees.

For fixed term contracts with an option to extend the term, the value of the contract will be the price of the fixed term plus the potential extension period.

We will not divide a single contract into smaller contracts to bypass the purchase thresholds (see section 4).

## 8. Evaluating tenders

Tenders will be evaluated against the criteria and weighting outlined in the tender document. This criteria may include:

- Cost
- Quality
- Delivery
- Performance
- Risk

We may specify additional criteria based on the type of tender, as outlined in the tender document.

## 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). This description is not comprehensive.

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

## 10. Procurement procedure: low and medium-high value purchases

When making purchases between 10,000 and £25,000 budget holders are required to request at least three written quotations to evidence best value unless placing an order through government procurement frameworks a preferred supplier or a sole supplier. They will also need to:

**Place an order** – when the best value quote is identified, we will send the supplier a purchase order, which includes details of the:

- Goods, works or services we are purchasing
- Price
- Delivery address
- Delivery deadline and any other important dates
- Payment schedule

## 11. Tendering procedure: high-value purchases

Any purchase over £25,000 will be subject to either three written quotes, formal tendering procedures or a framework competition (except for cases where goods or services can only be delivered by a sole supplier, or other exceptional circumstance, e.g. exam fees). Purchases over the PCR threshold must be fully compliant. The trust will make high-value purchases without a framework only in rare circumstances. When this does happen, depending on a complexity of the goods / services purchased we may use the process below.

- a. **Create a specification**
- b. **Assess the market** – we will prepare for the tendering process by developing our knowledge of the market. We will find out how many suppliers are available and the best way to advertise our contract to a range of suppliers
- c. **Check the school's position in relation to PCR procurement thresholds**
- d. **Develop a service level agreement (SLA)** – an SLA sets out the standards of service expected from a supplier. Some suppliers may have their own SLAs, which the trust will consider using on a case-by-case basis
- e. **Develop a contract** – a contract will include terms and conditions, a contract management plan and an exit strategy
- f. **Reduce the number of bids** – to reduce the number of bids the trust needs to evaluate, we will either use an expression of interest process to gauge interest in the contract or a pre-qualification questionnaire
- g. **Establish how we will assess quotes** – we will set out criteria that will allow us to evaluate which of the suppliers' bids best meets the requirements in our specification, and is the most economically advantageous tender that best combines cost and quality
- h. **Create a timeline for the tender process** – this will include the dates of the clarification period, the deadline for submitting tenders and the date we expect to award the contract
- i. **Prepare an invitation to tender** – this will include:
  - A covering letter with a timeline for the process
  - Instructions on how suppliers can ask clarification questions and submit their tender
  - The specification
  - A pricing schedule
  - Any SLA requirements
  - The contract's terms and conditions
  - Contract management requirements (see 'develop a contract' above)
  - Award criteria, including the scoring system and any weightings
  - If appropriate, an invitation for suppliers to give a practical demonstration of their goods, works or services
- j. **Advertise the contract** – the contract will be advertised where suppliers are likely to look, such as:
  - The Find a Tender service (FTS) - this is a requirement if the contract is over the PCR procurement threshold
  - Local or national newspapers
  - Education publications or websites
  - Trade magazines

**k. Run the tender process and provide clarifications**

**l. Evaluate tender responses** – at least 2 people will independently score and evaluate each bid, and then compare notes after completing their evaluations; records of decision making and moderation decisions will be kept

**m. Notify suppliers and award the contract**

**n. Finalise the contract** (and advertise the award, if the contract was advertised in Contracts Finder or the FTS )

**o. Abandoning the tender process** – on very rare occasions we may need to halt the tender process. Should this occur, we will notify suppliers who are preparing their bids as soon as possible

## **12. Record keeping**

Records will be kept securely, only for as long as necessary and in line with data protection law, our privacy notices.

## **13. Monitoring arrangements**

The CFO is responsible for the implementation of this policy.

This policy will be reviewed and approved by the board of trustees every two years and when the relevant procurement thresholds change.

## **14. Links with other policies**

This competitive tendering policy is linked to the following policies:

- Finance policy