



CORPORATE PROCUREMENT STRATEGY: 2015-17



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CORPORATE PROCUREMENT STRATEGY

1. Introduction and Context

Every member of the community expects the Council to provide an efficient and cost effective public service. Procurement is increasingly recognised, at a local and national level, as an integral function of public service delivery. Effective procurement across the whole organisation is essential if we are to achieve better value and demonstrate continual improvement.

Put simply, procurement is about the purchase of goods, services and works needed to enable West Dunbartonshire Council (WDC) to deliver services to the people in the region. This can be anything from paperclips, photocopiers and educational text books to motor vehicles, food supplies and major construction projects, thus demonstrating the diverse, and often complex, range of activity undertaken by WDC. These requirements will be sourced from a range of local and regional suppliers as appropriate.

2. Review of Previous Activity

Over the last 2 years, the Council has made good progress in procurement activity in support of key targets set out in the previous strategy – “West Dunbartonshire Council Procurement Strategy 2012-2015” as follows:

- Achieved “Improved Performance” status in the national Procurement Capability Assessment.
- Successfully supported the delivery of projects that meet the Councils corporate aims and objectives as identified in WDCs Strategic Plan;
- Made good progress in responding to the complex national and regional public sector procurement reform agenda;
- Embedded the Category Management approach to procurement through the agreed hub and spoke management model;
- Facilitated good procurement practice across the Council
- Implemented a benefits tracking process which has supported the achievement of over £1.259m of cashable benefits (£1.100m Revenue and £159.9k Capital) since March 2012;
- Provided relevant training and development, in line with national competency levels, to the Corporate Procurement team (CPT);
- Upheld the Councils commitment to the Supplier Charter;
- Embedded Community Benefits and Sustainability into the tendering process;
- Support to local organisations, build their organisational capacity, through local Meet the Buyer events and promotion of the Supplier Development Programme.

We will build on these achievements, ensuring that category management progresses further with the complex analysis required in support of appropriate buying decisions.

3. Objectives

With over £135m annual revenue and capital expenditure with external suppliers, the Councils activities, tasks and processes operate within a Category Management model of procurement which is designed to:

- categorise areas of spend to achieve best value – getting the best balance of quality and price for our purchases;
- ensure compliance with complex European Union Procurement Legislation;
- ensure compliance with Public Contracts (Scotland) Regulation 2012 and associated mandatory guidance and/or updates;
- ensure that the Council acts properly and purchases in a sustainable way, so observing its corporate social responsibility;
- protect public spending – ensuring tax payers money is spent properly, ensuring integrity and accountability;
- reduce bureaucracy – making the tender process standard, simple, transparent and ensuring consistency in procurement decision making;
- develop key purchasing systems and processes across the Council with due consideration for local and national ICT Strategy requirements, existing budget constraints and the need to ensure best value whilst reducing purchase to pay costs;
- ensure the Council has continuity of supply through supporting a mixed economy of provision and developing markets, particularly local/rural markets, Small and Medium Sized Enterprises (SMEs) and Third Sector organisations;
- work collaboratively with other public sector organisations; and
- access national contracts and framework agreements for goods, works and services, where appropriate;
- arrange local contracts and frameworks for goods, works and services, where required; and
- report on WDC progress towards the Scottish Governments Best Practice Indicators for procurement.

Effective procurement will contribute to the wider efficiency savings targets of the Council and support the delivery of the [Strategic Plan 2012-17](#).

To the extent permitted by law, the Procurement Strategy will be used as a lever to support the delivery of wider council objectives such as Equality and Diversity, Community Benefits such as training and development, local economic regeneration and carbon management, Sustainable Procurement and wider sustainability goals.

The Procurement Strategy and Policy sets out a framework for WDC which supports the Councils Single Outcome Agreement (SOA) whilst reflecting the complex national and regional public sector procurement reform agenda. It also complements the Councils Standing Orders, and Financial Regulations.

Whilst Best Value is the overall driver of the strategy, the current focus of procurement activity is cashable benefits (savings) in the much wider context of national efficiency targets. Although, cashable benefits will be a continuous focus to realise savings, the existing focus on non cashable benefits (quality) is expected to strengthen.

Proper budgetary control and sound financial practice are cornerstones of good governance and they support the Council and officers to pursue the 5 strategic priorities of the Council's [Strategic Plan 2012-17](#). At the heart of this are the Councils key purchase to pay systems and processes. Linked to the Councils ICT Modernisation Strategy and the National ICT Strategy, which promotes collaboration in ICT across the Public Sector, the development of key ICT purchasing systems and processes is fundamental to improve the long-term corporate and financial governance of the Council. It will also ensure that efficiencies are generated through maximising the use of the pre-existing systems such as Agresso and PECOS, fully developing their capacity and phasing out or integration of other systems which provide similar functionality.

An action plan, along with key performance indicators, which will deliver the strategy and policy, is attached at Appendix 2.

4. Corporate Procurement Policy

In support of Best Value and recognising the requirements of the [Strategic Plan 2012-17](#), the following policy has been developed.

4.1 Vision

WDCs vision for procurement is to provide a high quality, fit for purpose Corporate Procurement Service which will provide best value for the Council and support the Council in the delivery of its Strategic Plan.

4.2 Policy Principles

Procurement principles have been established that aim to support the Councils core values, corporate objectives and priorities, as follows:

1. the Procurement function within the Council will be managed centrally utilising category management with Procurement Business Partners allocated to work with departments;
2. the Council will utilise the PCA evaluation as the main method of monitoring the compliance of the Council's procurement function to national standards;
3. the Procurement service will set a range of performance indicators against which performance will be monitored;
4. the Council will aim to rationalise and streamline all procurement processes to ensure efficient processes are in place from purchase to pay, by maximising the use of the functionality of the Webuy procurement system and the Agresso accounting system, where appropriate;

5. the Council expects all employees who are involved in the procurement process to follow a defined set of procurement rules (as agreed with Trades Unions) in order to ensure appropriate practices and processes are followed;
6. the Council will comply with all relevant European, National (UK) and Scottish procurement legislation and policy;
7. the Council will aim to maximise benefits for the Council through complying with national and sectoral collaborative procurement frameworks where these represent best value;
8. the Council will maintain and regularly review its approach to local procurement through the implementation of a Local Procurement Policy;
9. the Council will develop a consistent approach to Corporate Social Responsibility within procurement across the Council - covering issues such as sustainability, community / social / economic benefit, energy and carbon management; equality; ethics (including Fair Trade); etc.;
10. the Council will maintain and regularly review its approach to sustainability in relation to procurement through the implementation of a Sustainable Procurement Policy; and
11. the Council will support local businesses through ongoing supplier development and adopting appropriate approaches to support local procurement, as described in the Local Procurement Policy.

5. Procurement Strategy

The following describes the strategy that will be implemented in order to support the policy and the attached Appendix 2 identifies the key improvement actions that will be implemented to support the Policy and Strategy.

5.1 Delivering Key Objectives

Effective procurement will support the key strategies and goals of the Council and help to deliver its corporate aims and objectives. Procurement will be used as a lever to support wider Council objectives and corporate social responsibility such as the 10 year capital plan, equality and diversity, sustainability, carbon management, community benefits and local economic regeneration.

5.2 Best Value Procurement Choices

Best value is the main driver in the Councils procurement decision making process. It requires the Council to demonstrate economy, efficiency and effectiveness in all its activities and effective procurement will be a key factor in helping to reach these goals. Best Value requires the Council to think radically and re-shape, not only the way it specifies requirements and undertakes procurement, but how it purchases and delivers goods, services and works.

Decisions about procurement will consider the full range of options available, including partnership, joint purchasing, creating local Framework Agreements or using existing National Framework Agreements, utilising in-house resource or external contracts and consolidating contracts where it makes sense to do so. Quality of service and risk will be judged along with cost. WDC also supports the Scottish Governments policy on ensuring that public contracts are awarded only to legitimate businesses and we will continue to protect public funding by sharing information about suppliers who bid for public contracts with Police Scotland. Our tenders will also promote the Living Wage and ensure that contracts are not based on Zero Hours contracts with exclusivity clauses and discourage blacklisting.

The strategic importance and complexity of required outcomes will largely determine the choice of the procurement route. Clearly, the purchase of high volumes of low-value goods and services from a national collaborative framework agreement arranged by Scottish Procurement or Scotland Excel will bring benefits in corporate buying power. Options appraisals for more complex activity will raise questions of whether services should be provided internally or externally. With service user consultation, where appropriate, the final decision should always be considered in the light of what is likely to provide the Best Value for the local community.

The CPT will engage with Departments, developing annual Category Strategies, finding the best solution, getting the right suppliers who will deliver to the required quality standards and at the right time, for all WDC spending and ensuring business continuity. The Category Strategy process will coincide with the annual financial planning cycle and will be agreed and approved for delivery each year by the Head of Finance and Resources and department Directors.

We will continue to develop the systems that support us in tracking our achievements against Scottish Governments national best practice indicators.

5.3 The Local Dimension

To support economic regeneration the need to think locally is well recognised. WDC will publish all formal tenders on Public Contracts Scotland (PCS) Tender and further develop the use of the quick quotes facility in PCS to ensure that local organisations have access to Council tender opportunities and can bid for them on a level playing field.

We will also publish the details of successful contractors which may allow local organisations to develop relationships and/or subcontract opportunities in line with their own business plans. In support of supplier development and awareness, WDC will also hold surgeries for suppliers and specific events where there are changes to the way we contract.

WDC is also committed to the Supplier Charter which is a joint statement between public sector procurement and businesses to facilitate access to public sector procurement opportunities. This is attached at Appendix 3.

5.4 Developing Procurement Capability

Scottish Government place great importance on procurement at a national level. The Public Procurement Reform Board (PPRB) introduced the Procurement Capability Assessment (PCA) in 2009. This is an annual assessment of each public sector organisation which measures progress in procurement activity. The PCA measures the performance of the whole Council, not just the CPT.

In October 2013, WDC was assessed in the “Improved Performance” category. This continues the Councils above average achievement in previous years to put the Council in a strong position to further develop, and in doing so to learn from and share good practice with other Local Authorities, to meet our Strategic Plan target of achieving “Superior Performance” by 2017.

5.5 Management and Control of Contracts

Management and control of contracts is retained within each department. CPT will lead departments through an annual planning process which will result in a Category Strategy. This will highlight opportunities for procurement cashable and non cashable benefits. Departments shall ensure that all contracts are adequately managed and monitored to achieve successful service delivery on time, within budget and in accordance with the specification.

CPT will establish a contract register, identifying key suppliers and support departments to implement the agreed Supplier Relationship Management process to support supplier performance appraisal and management. The Contracts Register will be published on the Councils website.

WDC will also work with departments to improve procurement knowledge across the wider Council to ensure best value decisions are always a consideration, particularly during project initiation stage.

5.6 Professional Standards and Good Practice

There is a growing interest and awareness, from suppliers in other EU countries, in relation to bidding for public sector contracts in Scotland, particularly with the introduction of the Scottish Governments Single Point of Enquiry. Therefore, whilst it is recognised that flexibility is needed when considering procurement options, procurement remains subject to a range of national and EU regulations, in addition to Scottish Government Policy and recommendations, Guidance on Procurement of Care and Support Services, as well as the Councils own [Standing Orders](#) and [Financial Regulations](#). These documents set out thresholds and tender requirements and define the CPT role and responsibilities.

A quick reference guide of Tender Thresholds and responsibilities, which summarises the requirements of the key documents, is attached at Appendix 4. It also provides information on minimum tender timescales. There is no maximum and the Council will, within the context of business need and timescales, provide suppliers with enough time to prepare tender

documentation. It should be noted that the summary at appendix 4 is no substitution for reading the governance documents in full. In addition to the governance documents there are a range of Council policies which will directly impact on the procurement process to varying degrees. In particular, Council policies on health and safety, equal opportunities, the environment, freedom of information, and data protection will form an integral part of the decision-making process depending on the requirements of the commission being tendered.

Over the last 2 years, WDC has been able to develop core knowledge within CPT through achievement of CIPS qualifications and delivery of training on EU regulations for the whole team. WDC will work with departments to share that knowledge and improve procurement practice across the Council.

5.7 e-Procurement

One of the corporate drivers of WDCs “Strategy for Information & Communication Technology” is identified as “The need to do more with less – achieving savings not only through efficiency savings, but through changes to the current operating models and delivery mechanisms”.

The purchase to pay process is a critical component of the Councils ordering and payment cycle and must be developed further to ensure an efficient approach. The Council currently benefits from using the Scottish Procurement system, PECOS, which bears no financial cost to the Council. Integrating this system fully across the Council will further improve the cost-effectiveness of the purchase to pay process for the purchase of goods, services and works, in particular for low-value items where the cost of the transaction can often outweigh the value of the product. The CPT will support this Business Transformation process. We will embed this through our standard tender documentation and through the development and implementation of a robust vendor approval process. We will also explore the use of e-Invoicing.

In support of purchase to pay improvements WDC will implement the national eTendering solution, PCS Tender. This complements the best value approach in developing the capacity of existing systems, as the Council already use Public Contracts Scotland and also satisfies the national ICT Strategy objective in relation to collaborating across the public sector for ICT solutions.

Appendix 5 provides an ideal map of the Corporate Procurement ICT systems.

5.8 Collaborative Purchasing

The Council will use its procurement power where practical in order to obtain economies of scale and secure value for money. This will take several different formats:

- ensuring a level playing field for local businesses;

- Joining National Contracts tendered by Scottish Procurement, where these offer best value;
- maximising best value in continued Scotland Excel membership, joining national contracts tendered by them;
- use of corporate procurement opportunities where the procurement of similar products and services across the Council departments can be aggregated to obtain economies of scale;
- aggregation of spend on goods and services with, and the offer of procurement expertise and advice to, other Councils and public sector bodies where this will help to deliver improved value for money;
- strengthening relationships with other Local Authorities.

5.9 Corporate Social Responsibility (CSR)

The Category Strategy process will fully consider how CSR consequences for example, equalities, fair trade, governance, prompt payment, supporting local SMEs and sustainable procurement, can be developed and achieved within and through contracts with third party suppliers, for example, through embedding these into tender documentation and evaluation criteria.

5.10 Small and Medium Size Enterprise (SMEs)*

The Councils procurement activities can have a positive impact on local economic regeneration. It is important that the Council has a process for ensuring that local organisations, including the Third Sector, are made aware of how to tender for Council contracts and what quality and cost considerations the Council must observe in the delivery of its services. In this way local organisations should be able to compete, and be judged on merit, along with all other tenderers. Whilst there are some legislative constraints that prevent the Council from preferring only local suppliers, we will ensure that our tender processes reflect the local dimension where applicable. For example, consider the use of Community Benefits where they can apply, consider the structure of tenders to allow SMEs to tender for business, ensure that formal tenders are advertised on Public Contracts Scotland and encourage the use of Quick Quotes. The Council will also continue to engage with the Supplier Development Programme which is a partnership venture between the Local Authorities listed at Appendix 6.

The programme uses various media, communication and events to bring Local Authorities and SMEs closer together and provides training and information to build capacity within organisations to allow them to compete for Council business on a level playing field.

The Council will continue to raise awareness with local suppliers, providing an opportunity to consult directly through organised surgeries for general enquiries and publishing a contracts register to highlight contracts that local organisations may be interested in bidding for.

*For the purposes of this strategy the general, and widely recognised term "SME" is being used to describe smaller suppliers, including micro businesses (organisations with fewer than 10 employees). Where relevant to the contract we will request responses from contractors and subcontractors regarding their

compliance with the Health & Safety at Work Act 1974 and any provision made under that Act.

5.11 Sustainable Procurement

Sustainable Procurement is embedded within CSR. Approximately £150 billion, equivalent to around 13% of the UK's GDP, is spent by the public sector each year on goods and services. This has huge impacts in terms of the economy and the environment. The Council spent over £135m on revenue and capital with external suppliers in 2013/14.

Sustainable Procurement or "Procuring for the Future" can be defined as a process whereby organisations meet their needs for goods, services and works in a way that achieves value for money on a whole life cost basis in terms of generating benefits not only to the organisation, but also to society and the economy, whilst minimising damage to the environment. Leading by example within our community, the Council may have a direct impact in reducing its carbon footprint and this approach includes buying locally to reduce the carbon impact of transportation on our environment.

This can only enhance the Council's reputation in implementing good practice and supports the DEFRA Government Buying Standards.

To ensure Sustainable Procurement, through the Category Strategy process and in all relevant tender activity, WDC will consider the environmental, social and economic consequences of, for example:

- design;
- non-renewable material use;
- manufacturing production methods;
- logistics;
- service delivery;
- maintenance;
- re-use options;
- reduction options;
- recycling options;
- disposal;
- supplier capabilities; and
- energy efficiency.

The focus should ensure that WDC's approach to sustainable procurement will achieve:

- Lasting value for money;
- The avoidance and/or reduction in negative environmental impacts;
- delivery of social and economic benefits locally;
- lower emissions and air pollution levels from sustainable transportation usage; and
- less waste going to landfill.

Focusing public spending on sustainable goods, services and works is an important catalyst for local job creation, sustainable innovation and market development.

The Council has committed to achieving Level 3 “practice” through delivery the Sustainable Procurement Action Plan (SPAP), a tool developed by the Scottish Government for encouraging successful sustainable economic growth and will support in testing the new SPAP being launched by Scottish Procurement to reflect the changes in the Procurement Reform (Scotland) Act 2014. It is a methodical whole organisation approach to sustainable procurement and is a benchmark for development and promotion of good practice. In committing to sustainable procurement WDC recognises that implementing this approach may increase costs.

The Council will raise awareness of sustainable procurement and wider sustainability goals through the development of e-learning modules to be included in the employee induction process. Our tender process approval mechanisms will also prompt for environmental, social and economic consideration.

5.12 Community Benefits

The Council, through its core activity, already provides community benefit however there is additional scope to bring a social and local economic dimension into tendered activity through the inclusion of Community Benefit clauses.

The tendering process will fully consider how Community Benefits, in line with the Scottish Government definition, can be achieved within third party contracts with suppliers for goods, services and works. With the implementation of the Procurement Reform (Scotland) Act 2014, we will also consider local implementation of national guidance for Community Benefits to support this activity.

5.13 Equality

The Christie Report on The Future of Public Services in Scotland recognised that equality and fairness are even more important in economically challenging times.

The Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012 introduced specific duties for the Council. WDC will demonstrate, through the tender process, that it has had due regard to whether the award criteria and conditions relating to the performance of a relevant contract should include consideration to enable it to better perform the equality duty.

The Council has produced updated guidance on ensuring equality in procurement which works in parallel with the Council’s Equality Impact Assessment process.

5.14 Improving Health and Wellbeing

At WDC we recognise the requirement to find practical ways to supply healthy, fresh, seasonal, and sustainably grown food which represents value for money whilst improving the health, wellbeing and education of communities in our area. In 2012/13 local authorities spent £66.1 million on food purchasing with around 90% spent on school food.

By collaborating early in the tender process with Facilities colleagues we will work to put in place affordable contracts which meet the nutritional requirements for food for all users of our catering services, whilst promoting the highest standards of animal welfare. Our approach will also take recognition of requirements set out by the Scottish Government such as The Schools (Health & Nutrition) Scotland) Act 2007, The Nutritional Requirements for Food & Drink in Schools (Scotland) Regulations 2008 and the National Care Standards for Eating Well.

5.15 Fair and Ethically Traded Goods and Services

Scotland achieved Fair Trade Nation status in February 2013, becoming only the second country in the world to do so. West Dunbartonshire is also working towards Fairtrade zone status and an application was submitted in April 2014. In support of this there is a requirement for WDC to demonstrate that it is delivering a real and lasting impact by contributing to reducing poverty, improving the lives of people that we seek to support and helping them access their rights.

To enable this a Council policy was passed in October 2005, confirming that WDC would embed the purchase of Fair and Ethically Traded goods and services into 3rd party contracts with suppliers where it has a direct bearing on the goods, services and works being tendered. This was updated in October 2013.

Accordingly, this may include a requirement to seek evidence to support the suppliers' own strategies in relation to Fair and Ethically Traded goods and services to be included in those firms' Expressions of Interest and Tenders. WDC will also work with existing contractors to increase the range and availability of fair and ethically traded goods and services.

KEY PERFORMANCE INDICATORS

Ref	Description	2014/15 Target
1	Annual spend with all contracted suppliers as a percentage of core spend	60%
2	PCA Score	65%

ACTION PLAN

Action 1

Develop Procurement Leadership and Governance across the Council		
Sub Action	Due Date	Assigned to
Develop Category Strategies with each department.	March 2016	Manager of Procurement
Agree commodity pipeline with departments ensuring appropriate activity reflected in management adjustments.	March 2016	Manager of Procurement
Further develop relationship with Internal Audit to ensure audit plan has adequate coverage of strategic procurement and key risks/gaps are routinely advised to procurement.	March 2015	Manager of Procurement
Review standing orders to reflect procurement responsibilities and provide recommendations for change to the Head of Legal.	March 2015	Manager of Procurement
Consider the impact of EU and procurement reform changes on standing orders and provide recommendations for change to the Head of Legal.	March 2015	Manager of Procurement

Action 2

Develop key purchasing systems and processes		
Sub Action	Due Date	Assigned to
Rationalise invoices across suppliers.	March 2016	I Hutchison/A Wood
Investigate ways to reduce number of paper invoices being processed and implement them.	March 2015	Manager of Procurement
Investigate ways to produce forecast and actual data and use this to monitor consumption and compliance.	March 2016	I Hutchison/A Wood
Review the usage of purchasing cards to ensure use on appropriate commodities.	March 2015	I Hutchison/A Wood
Consider processes to further reduce payment times and increase volume of invoices paid within 30 days.	March 2015	Manager of Procurement
Consider processes to embed standard coding mechanisms into purchasing systems.	March 2016	Manager of Procurement
Consider process to ensure line item detail is available from systems to ensure positive management information	March 2016	A Duncan/Manager of Procurement
Develop a plan for the implementation of automated invoice matching.	March 2016	A Duncan
e-Tendering (e-procurement) to be implemented for all formal tenders.	March 2016	Manager of Procurement
Implement the purchase to pay (business transformation project) across the Council, improving efficiency and standardisation of processes maximising use of core systems (Agresso and WeBuy).	March 2016	Manager of Procurement
Implement the action plan from the We Buy Post Implementation Review (PIR)	March 2016	A Duncan

Maximise the use of electronic ordering and payment systems.	March 2016	Manager of Procurement
Maximise the use of e-invoicing	March 2015	A Duncan
Rationalise, manage and maintain catalogues to ensure savings derived from the use of We Buy.	March 2015	A Duncan
Develop process to ensure that Scotland Excel management information is agreed at an early stage in the procurement process.	March 2015	A Wood/I Hutchison

Action 3

Delivery of Local Procurement Action Plan		
Sub Action	Due Date	Assigned to
Hold supplier surgeries to offer advice and guidance on tendering in the public sector to interested suppliers.	March 2015	Manager of Procurement
Provide information to suppliers on the Councils approach to e-Tendering.	March 2015	Manager of Procurement
Publish a contracts register to identify existing contracts, showing contract end dates, that may be of interest to suppliers.	March 2015	Manager of Procurement
Promote the use of the quick quotes facility in Public Contracts Scotland to give visibility of informal tenders below £50k.	March 2015	Manager of Procurement

Action 4

Develop Procurement capability across the Council		
Sub Action	Due Date	Assigned to
Develop process to ensure all new starts complete e-learning modules.	March 2015	Manager of Procurement
Procurement Awareness sessions for existing employees who spend money with 3 rd party suppliers.	March 2015	Manager of Procurement
Communicate Procurement Reform (Scotland) Act 2014	March 2015	Manager of Procurement

changes and EU regulation changes, as appropriate, across the Council.		
Further develop and deliver corporate training plan in line with national procurement competency framework.	March 2015	Manager of Procurement
Conduct a customer feedback survey and develop an action plan as required.	March 2015	A Duncan

Action 5

Develop supplier relationship Management Across the Council		
Sub Action	Due Date	Assigned To
Ensure maximum compliance with national and sectoral collaborative procurement frameworks where these represent best value and also share good practice.	October 2015	I Hutchison/A Wood
Introduce as standard contract implementation plans detailing supply base and pricing changes together with timing implications.	October 2015	Manager of Procurement
Roll out supplier management across departments, embedding this process as mainstream for contract managers	October 2015	Manager of Procurement
Facilitate performance review meetings with established strategic suppliers.	October 2015	I Hutchison/A Wood
Within supplier relationship management, develop a process to allow suppliers to feedback on the performance management process itself.	October 2015	Manager of Procurement
Publish contract register on website.	October 2015	Manager of Procurement
Develop process in CHCP for involving suppliers in business strategy planning process.	October 2016	Manager of Procurement

Suppliers' Charter

Joint statement between Public Sector Procurement and Businesses to facilitate access to public sector procurement opportunities.

Both public sector procurement and business accept that effective procurement practices are an important factor in ensuring a varied and competitive marketplace and creating opportunities for Small and Medium Enterprises (SMEs), as well as ensuring Best Value/Value for Money for the public sector. We recognise the need, where practical, to simplify and standardise processes and to ensure consistency in order to provide a fair and open approach to tendering. With these aims in mind:-

Public Sector procurement organisations will:

- Consult with the business community to identify and reduce barriers to business;
- Facilitate understanding of public sector procurement policy and legislation by relevant stakeholders;
- Ensure that the approach to individual contracts, including large contracts and framework agreements, is supported by a sound business case;
- Keep the tender process as simple as possible, but consistent with achieving Best Value/value for money, to help minimise costs to suppliers;
- Unless there are compelling business reasons to the contrary ensure that adequate and appropriate publicity is given to contract opportunities that fall below the OJEU threshold limits or are otherwise exempt from the public procurement directives. (Compelling reasons may, for example, include the fact that the proposed firm is by recent experience (within 3 months) the best value for money supplier and would be likely to remain so in another competition);
- Commit to using the core questionnaire for routine procurements with addition of bespoke additions on a case by case basis. Authorities will be expected to follow this format and, as closely as possible, wording for routine open procedure procurements;
- Offer meaningful feedback to suppliers on the evaluation of their proposal at the end of the tendering process;
- Publish guidance for the business community on tendering for opportunities;
- Support training for procurement staff to develop consistency in the use of best practice procurement activity.

Businesses and their representative organisations will:

- Provide feedback from suppliers and their respective associations, on tender processes and perceived barriers to business. Representative

organisations will act as a guide to their members in cases of complaint and help them to distinguish the appropriate course of action

- Recognise duties under EU and UK law surrounding public procurement activity
- Encourage members of business organisations to adhere to this Charter;
- Support public sector websites as a means of accessing contract opportunities
- Make effective use of their skills and resources in bidding for and providing public sector goods and services
- Support the use of the core questionnaire in the tendering process and the scope for debriefing
- Encourage understanding of the principles of good business practice by appropriate means e.g. dissemination of information and awareness raising seminars
- Work with your customers to deliver value for money throughout the life of the contract

Appendix 3

PROCUREMENT THRESHOLDS AND TIMESCALES

Definition	Value*	Procurement Journey	Options for Procurement**	Approach	Advertising Requirement	Minimum Tender Timescales (days)	
Goods and Services	£1,000 or less	n/a	Access Existing Framework	Department	n/a	n/a	
			Departmental discretion - min 2 quotes	Department	n/a	n/a	
	£1,001-£10,000	Route 1	Access Existing Framework	Department	n/a	n/a	
			Invitation to Quote (ITQ) - min 3 quotes	Department	PCS – Quick Quotes	14	
	£10,001-£50,000	Route 1	Access Existing Framework	Department	PCS – Quick Quotes	14	
			Invitation to Quote (ITQ) - min 3 quotes	Department	PCS – Quick Quotes	14	
	£50,001-£172,514	Route 2	Formal Tender (Open or Restricted)	Procurement	PCS Tender	14	
	> £172,514	Route 3	Formal EU Tender (Open or Restricted)	Procurement	PCS Tender / OJEU	Open 52 Restricted (PQQ -37) (ITT – 40)	
	Health and Social Care	£1,000 or less	n/a	Access Existing Framework	Department	n/a	n/a
				Departmental discretion - min 2 quotes	Department	n/a	n/a
£1,001-£10,000		Route 1	Access Existing Framework	Department	n/a	n/a	
			Invitation to Quote (ITQ) - min 3 quotes	Department	PCS – Quick Quotes	14	
£10,001-£150,000		Route 1	Access Existing Framework	Department	PCS – Quick Quotes	14	
			Invitation to Quote (ITQ) - min 3 quotes	Department	PCS – Quick Quotes	14	
£150,001-£172,514		Route 2	Formal Tender (Open or Restricted)	Procurement	PCS Tender	14	
> £172,514 (good practice -although Part B service so no legal requirement)		Route 3	Formal EU Tender (Open or Restricted)	Procurement	PCS Tender / OJEU	Open 52 Restricted (PQQ -37) (ITT – 40)	

Definition	Value	Procurement Journey	Options for Procurement	Approach	Advertising Requirement	Tender Timescales***
Works	£1,000 or less	n/a	Access Existing Framework	Department	n/a	n/a
			Departmental discretion - min 2 quotes	Department	n/a	n/a
	£1,001-£10,000	Route 1	Access Existing Framework	Department	n/a	n/a
			Invitation to Quote (ITQ) - min 3 quotes	Department	PCS – Quick Quotes	14
	£10,001-£50,000	Route 1	Access Existing Framework	Department	PCS – Quick Quotes	14
			Invitation to Quote (ITQ) - min 3 quotes	Department	PCS – Quick Quotes	14
	£50,001-£4,322,012	Route 2	Formal Tender (Open or Restricted)	Procurement	PCS Tender	14
	> £4,322,012	Route 3	Formal EU Tender (Open or Restricted)	Procurement	PCS Tender / OJEU	Open 52 Restricted (PQQ -37) (ITT – 40)

* Unless you are confident of the market and prices, if the value of activity is near to the maximum in any value range, or you expect that bids may be in excess of the maximum, it is recommended that you use the next process up e.g. if project/budget value is £48,000 for goods and services rather than using quotations, use the Formal tender process.

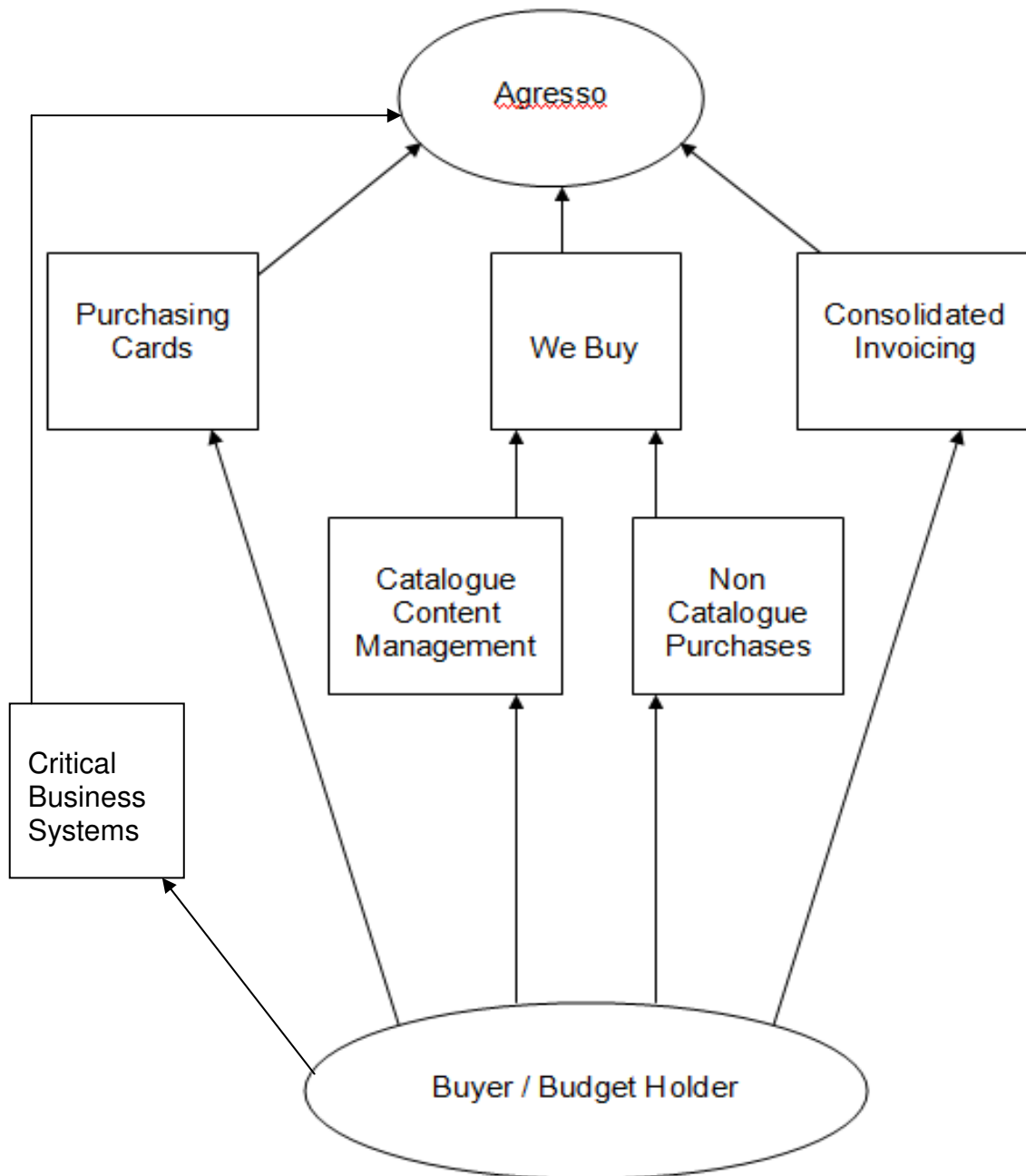
**Depending on the complexity of the work and any evaluation requirements, rather than using the informal quotations documents, you may wish to contact Procurement to discuss using more formal tender documents and/or advertising the work. There is an on-line quick quotes process to aid this.

*** These timescales are for the minimum advertising requirements. They may increase or decrease depending on the complexity of the scope. For tenders above £50,000, you should contact Corporate Procurement to discuss timescales at the formal planning stage to avoid unnecessary delays in tendering.

NOTE: The thresholds are correct at time of publishing this document. Please note that they can and do change from time to time so please ensure that you know which thresholds apply at the point in time that you are going to tender.

Ideal P2P Systems Map

The P2P business transformation project is underway. Below is a diagram of the potential ICT systems map for purchase to pay across the organisation.



Supplier Development Programme Partners

- Aberdeen City Council
- Aberdeenshire Council
- Angus Council
- Argyll and Bute Council
- City of Edinburgh Council
- Clackmannanshire Council
- Comhairle nan Eilean Siar
- Dumfries and Galloway Council
- Dundee City Council
- East Ayrshire Council
- East Renfrewshire Council
- East Lothian Council
- Falkirk Council
- Fife Council
- Glasgow City Council
- Highland Council
- Inverclyde Council
- Mid Lothian Council
- Moray Council
- North Ayrshire Council
- North Lanarkshire Council
- Orkney Islands Council
- Perth and Kinross Council
- Renfrewshire Council
- Scotland Excel
- Scottish Borders Council
- South Ayrshire Council
- South Lanarkshire Council
- Stirling Council
- West Dunbartonshire Council
- West Lothian Council

Useful Links

Employee Code of Conduct/Employee Framework for Procurement
<http://newintranet.west-dunbarton.gov.uk/corporate-services/finance-and-resources/procurement/guidance-for-purchases-over-50000/>

Supplier Development Programme
<http://www.sdpscotland.co.uk/how-to-win-tenders.aspx>

West Dunbartonshire Council Strategic Plan
<http://www.west-dunbarton.gov.uk/council/strategies,-plans-and-policies/strategic-plan-2012-2017/>

Local Government ICT Strategy
<http://lgictstrategy.org.uk/>

WDC ICT Strategy
<http://newintranet.west-dunbarton.gov.uk/EasysiteWeb/getresource.axd?AssetID=89539&type=full&servicetype=Attachment>

Supplier Charter
<http://www.scotland.gov.uk/Topics/Government/Procurement/Selling/Supplierscharter2>

Community Benefits
<http://www.scotland.gov.uk/Publications/2008/02/13140629/0>

Guidance on the Procurement of Care and Support Services
<http://www.scotland.gov.uk/Publications/2010/09/21100130/0>

EC Procurement Directives & Scottish Regulations
<http://www.scotland.gov.uk/Topics/Government/Procurement/policy/Legislation/ECDirandScotreg>

Carbon Management
<http://www.scotland.gov.uk/Publications/2009/05/26125414/5>

Corporate Social Responsibility
<http://www.scotland.gov.uk/Topics/Government/Procurement/policy/corporate-responsibility>

Sustainable Procurement
<http://www.scotland.gov.uk/Publications/2009/10/sspap>
<http://www.cpet.org.uk/uk-government-timber-procurement-policy/the-defra-buy-sustainable-quick-wins>

Sustainable Procurement Flexible Framework
<http://sd.defra.gov.uk/documents/flexible-framework-guidance.pdf>

Public Procurement Reform
<http://www.scotland.gov.uk/Topics/Government/Procurement/about/Review/reform-board>

Best Value
<http://www.scotland.gov.uk/Topics/Government/PublicServiceReform/14838/564>
<http://www.idea.gov.uk/idk/core/page.do?pageId=5183823>

Best Practice Indicators
<http://www.scotland.gov.uk/Publications/2008/05/29141216/0>

Fair Trade
<http://www.sftf.org.uk/who-we-are/what-is-fair-trade/>

DEFRA Government Buying Standards
<http://sd.defra.gov.uk/advice/public/buying/about/>

Single Point of Enquiry
<http://www.scotland.gov.uk/Topics/Government/Procurement/Selling/supplier-enquiries>

Better Eating, Better Learning – A New Context for School Food
<http://www.scotland.gov.uk/Publications/2014/03/1606/7>