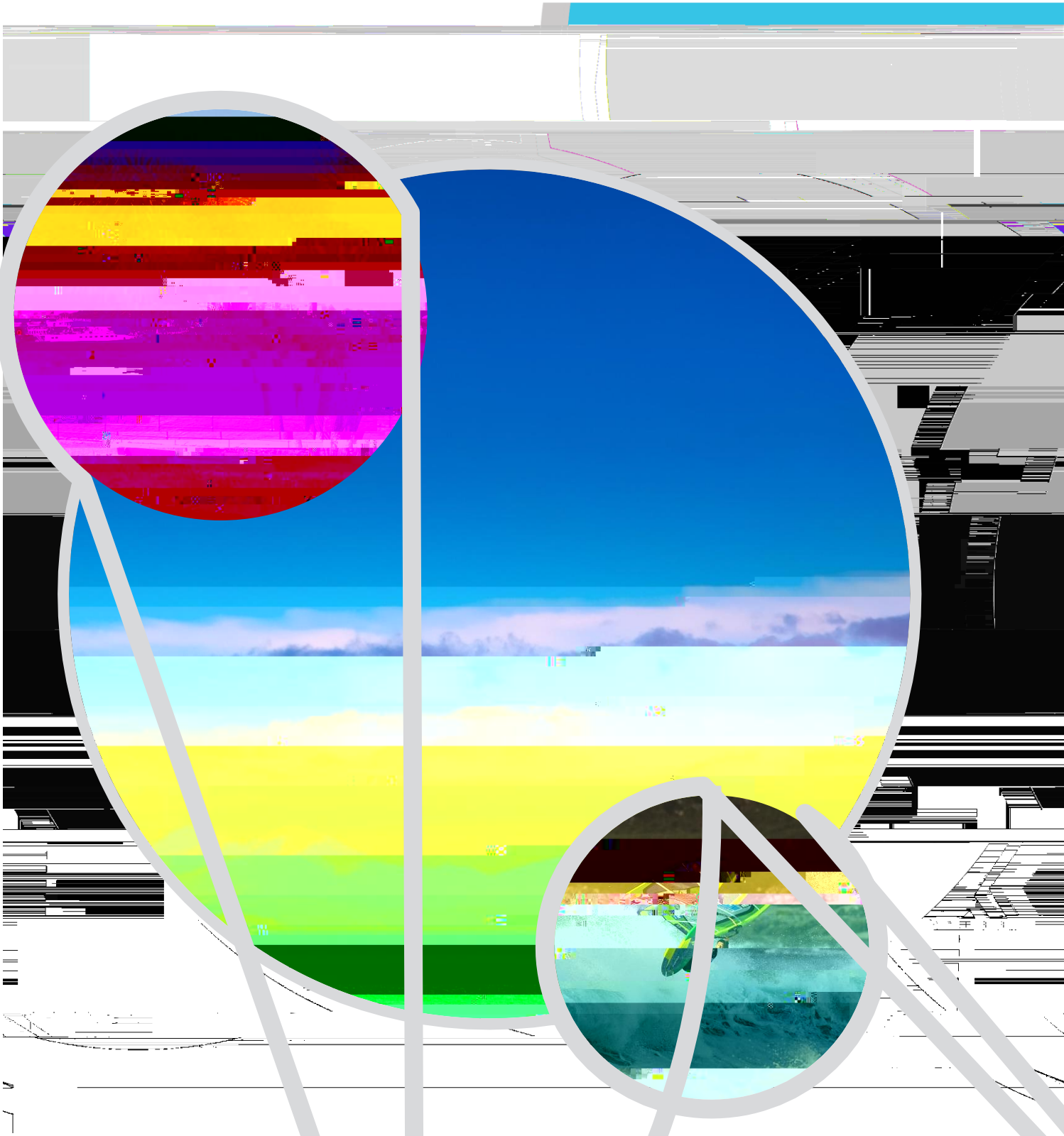

PROCUREMENT STRATEGY 2022/2025

Annual Review 2023/2024

Section 1 : 2 Y H U Y L H Z « « «

The Procurement Strategy sets out the vision, objectives and actions which will direct and govern procurement activities for Argyll and Bute Council for 2022 to 2025, in other ZRUGV KRZ DQG ZKDW WKH &RXQFLO·V VSHQGV LWV PR

The Strategy relates to our overall spending approach, with specific focus on regulated procurements. Regulated procurements are defined as works contracts over £2million in value, and supplies and services contracts over £50,000 in value.

Value for Money

Our vision

Our vision is to be recognised by all Argyll and Bute stakeholders as a Procurement Team that works collaboratively, both internally as an embedded function of all Council services strategically used to support the economic, social and environmental needs of

As a Procurement Team, supported by our Scottish Public Procurement community, we have a key aim to ensure that the collective spending power of the public sector is used to deliver world class, value-adding collaborative procurement services, while enabling sustainable and inclusive economic growth.

) R O O R Z L Q J F R Q V X O W D W L R Q W K H 6 F R W W L V K * R Y H U Q P H developed a set of seven priorities that we/they believe all public procurement leaders should adopt and aspire to.

$ O L J Q H G W R H [L V W L Q J F R P P L W P H Q W V V H W R X W, the Q W K H take into account the impacts felt by us all over the past year, address short term needs and support a robust, greener economic recovery, whilst developing leadership and wider capacity, capability and systems to future-proof procurement in Scotland.

As a set of shared priorities for the Scottish Public Procurement community, they will help to ensure we are all broadly pulling in the same direction, with a set of functional objectives that align with our organisational objectives. Working together, we can, and will, continue to use the power of procurement to enable and support positive change.

The 7 priorities are:

v) Priority: climate emergency (including carbon reduction and a circular economy)

High level aims:

- prioritise and take account of climate and the circular economy within our regulated procurement activity; through the inclusion of questions on both of these issues within the initial strategy development stage for all regulated procurements, which will ensure that these issues are considered at an early stage of the procurement process; through the inclusion of appropriate evaluation criteria within relevant procurement processes; and through ongoing monitoring of relevant contractual elements within contract management.
-

- create and develop the talent we require now and in the future to deliver on our ambitions
- develop and/or implement collaborative targeted capability programmes to build skills and competencies, driving consistency in approaches

5.3 Our strategic objectives

For this strategy, the Council has three key strategic procurement objectives:

- Legal compliance
- Value for money
- Empowering local suppliers

5.3.1 Legal Compliance

Aims

- To ensure all procurement staff and council officers involved in the procurement process are fully aware of all aspects and impacts of the procurement rules and any other relevant regulations.

How we will do it

- Mandatory training for council officers involved in the procurement process (project leads, specification writers) including highlighting the social benefits that procurement must consider (for example, Equality and Fair Work First Practices).
- Ongoing training for procurement staff on changes to legislation and regulations.

What will the outcome be?

- Procurement staff are confident in their understanding of procurement regulations and other relevant regulations.
- Mitigation of the opportunities for procurement challenge.
- Procurement activity will comply with all relevant statutory and regulatory requirements.

5.3.2 Value for Money

Aims

- To support the Council in achieving budget savings targets.
- To work closer with our client departments to understand their needs, identify opportunities to reduce expenditure, control demand and improve process efficiencies.
- Work more collaboratively with other public sector organisations to support Community Wealth Building across Argyll and Bute.

- We will analyse the supply chain in Argyll and Bute to identify specific areas of strength and opportunities to develop specific sectors and work closely with the Supplier Development Programme (SDP) to deliver effective supplier engagement and improve the capability of local businesses to bid for contracts.
- We will meet the national objectives for the prompt payment of suppliers and promote the prompt payment of subcontractors.

What will the outcome be?

- We will have delivered simplified and more consistent procurement processes for businesses tendering for contracts across Argyll and Bute.
- We will have raised awareness among suppliers of forthcoming opportunities to bid for contracts.
- We will have supported small local businesses to access existing supply chains and increased their capability to successfully bid for contracts.

5.4 Supplier Opportunities

We are pleased to hear from new and existing suppliers who are interested in tendering for business. Any enquiries can be sent to the corporate procurement inbox procurement@argyll-bute.govuk.

The PCCMT has developed a supplier page RQ WKH &RXQFLO¶V ZHEVLWH tips and information as to how to bid for Council contracts.

, Q DGGLWLRQ WKH &RXQFLO¶V contract register is available on the Council

wectra0 g0 Gis yi5(n)-3(t36(g-3(s b)-5(o)-3(x)10( )]TJETO EMC /Span <</MCID 14>> BDC g0.000008871 0 595

5.4.3 Empowering Local Suppliers and delivering sustainable procurement

Objectives Aims & Outcomes	Performance Indicators	Actions	Target Date	Owner
Aim: ƒ To develop resilient local supply chains, providing clear advice & consistent approaches to procurement and community benefits, ensuring businesses are aware of, and are able to take advantage of procurement opportunities, supported by a programme of active and innovative supplier engagement and development support. ƒ To increase the knowledge and understanding of the benefits of sustainable procurement of all Council staff who participate in the procurement process and make better use of the expertise within the Council to ensure wider sustainable outcomes are achieved. ƒ To be compliant with the Procurement Reform (Scotland) Act 2014 and general other duties contained therein, including the Sustainable Procurement Duty. **Outcome** ƒ				

5.4.3 Empowering Local Suppliers and delivering sustainable procurement /contd

Objectives Aims & Outcomes	Performance Indicators	Actions	Target Date	Owner

5.5 Mandatory Requirements of the Procurement Reform (Scotland) Act 2014 and Statutory Guidance Obligations .

The Act lays out some mandatory requirements which the procurement strategy must include. In particular :

#	How the organisation intends to make sure that its regulated procurements will:		Council Response/Strategy Content:
1	Deliver value for money	A	The successful delivery of this Strategy. o The application of procurement best practice and undertaking key strategic procurement activities. o Early market engagement. o By including appropriate lots to promote SME/Third Sector and local supplier participation. o Maximising the impact of each pound spent

5.5 Mandatory Requirements of the Procurement Reform (Scotland) Act 2014 and Statutory Guidance Obligations / contd

#	Priority		Activities
7	The use of community benefit requirements	A	Community Benefits Clauses will be included in regulated procurements as outlined in the Sustainable Procurement Policy 2022/25 (Ongoing)
		B	Report on the new methodology of delivering community benefits that have been requested by our local communities.
8	Promoting compliance with health and safety at work, including how a supplier/ sub-contractor demonstrates compliance	A	Health and Safety considerations will be included at all stages of regulated procurement processes in 2022/25. (Ongoing)
		B	All regulated works procurements in 2022/25 will include reference to the current CDM regulations (Ongoing)
9	& R P S O \ L Q J Z L W K W K H & Procurement Policy (Appendix 1) in relation to the procurement of fairly and ethically traded goods and services.	A	The procurement of fairly and ethically traded goods and services will be considered within the CSS of all regulated procurements in 2022/25. (Ongoing)
10	Food procurement.	A	Any regulated catering contracts carried out in 2022/25 will consider the following national guidance throughout the procurement process: ¶ % H W W H U (D W L Q J % H W W H 6 F K R R O * D W H · ¶ 6 R L O $ V V

5.5

5.6 Key Performance Indicators by which we will measure the success of the Action Plan are detailed in Section 7.

5.7 7 K H & R X Q F L O ¶ V F X U U H Q W & R U S R U D W H 3 O D Q F D Q E H I R

CORPORATE & EDUCATION

Scope/Key Spend Areas

The Corporate & Education Category consists of the following areas:

- Education
- Corporate
- ICT
- HR/Training
- Transport (including Bus, Air, Boats & Fleet)
- Catering & Cleaning
- Economic Development
- Travel & Accommodation
- Leisure & Sports

Within Corporate & Education, our overall strategy is to work with all relevant services to review existing contracts or identify new needs and schedule procurement exercises as needed. In doing this, we determine the most appropriate procurement route for the requirement and engage the market as early as possible dependant on the procurement route selected.

2022/25 Strategy

Analysis of the existing spend profile (financial year 2021/22) across the Corporate & Education Category has identified the volume of uncontracted suppliers as a priority areas of focus. The analysis breaks down as follows:

Spend Type	Number of Orders	Total value (£)	Number of suppliers	Average transaction value (£)	Total Percentage
Contracted	23942	£19.84m	290	£828.85	88.61%

- HR Contracts and Training : Continue working with the service to consider ways of improving and streamlining the central delivery with maximum use of training contracts and frameworks. Work with HR to utilise available frameworks as far as possible.

- Transport : Continue to provide procurement support to the School and Public Transport and Strategic Transport Teams. Where possible, encourage and support transport operators to explore more sustainable modes of transport including electric vehicles and the use of alternative fuels.

- Live Argyll : Continue to provide procurement services as required.

- Education : Complete the Education Purchasing Team Pilot (due to end March 2023). Increase spend under contract, ensure competitive processes are undertaken where needed, and direct appropriate spend to national or collaborative contracts where appropriate.

- Fair Work First : Ensure the inclusion of Fair Work First questions covering the five F U L W H U L D ¶ V I R U D O O U H J X O D W H G W H Q G H U V

- Sustainability : Ensure Sustainability and Community Wealth Building are considered at the sourcing strategy stage for all regulated tenders.

Longer Term Strategy

The longer term strategy for the procurement of goods and services within Corporate & Education over the next 3-5 years includes:

- Collaboration : Greater engagement with potential partnerships with consideration to more collaborative procurement working, shared services and outsourcing opportunities.

- Catering and Cleaning : Provide procurement support for Catering and Cleaning development projects. Ensure all procurement practices support the requirements laid out in the current Programme for Government, including forthcoming requirements expected as part of the Good Food Nation bill, the

Se tncludina forthcomina

Section

x Provide support to the HSCP and Council teams with the development of the Place Based Review in Dunoon and Rothesay.

CARE, EARLY YEARS & HOUSING

Scope/Key Spend Areas

The Care & Housing Category consists of the following areas:

- ¾ Adult Services
- ¾ & K L O G U H Q ¶ V 6 H U Y L F H
- ¾ Housing & Homelessness Services
- ¾ Early Years
- ¾ Aids and Adaptations

An analysis of the existing spend profile within the Care & Housing Category has identified key areas of focus.

The highest spend within the Care and Housing Category comes from the Health and Social Care Partnership (HSCP). The HSCP are in the process of developing their Joint Strategic Commissioning Plan (JSCP) which will align with the principles of the Feely Review in informing the procurement of future Service Provision.

The JSCP will include the following broad aims:

- x ensure we deliver the best services available with the resources which we have;
- x give clarity for services providers regarding our approach to the health and social care market within Argyll and Bute and how we aim to deliver a balanced market through our commissioning and procurement arrangements;
- x provide our communities with more information regarding the cost, availability and quality of services to help them to ur celessness Services

General Activity:

- ¾ Continue involvement in the development of the JSCP and related work streams. This work will likely prompt reviews of specific service areas, and result in procurement process and/or redesign of contracted services.
- ¾ To comply with the Guidance on the Procurement of Care and Support Services 2016 (Best Practice), making use of the provisions of the Light Touch Regime (LTR), where

Longer Term Strategy

The longer term strategy for the procurement of goods and services within the Care, Early Years & Housing Category over the next 3-5 years includes:

- Develop and continue to review Commodity Sourcing Strategy coverage for all high value/high risk procurements, ensuring that these strategies compliment National Direction and the strategic vision of customers.

- Continue active involvement in national activity lead by Scotland Excel and other relevant bodies.

- Continue to seek innovative solutions for compliant procurement processes for Services to the Person, e.g. fle0 Tm0 g>54 Person, e.g.

7.1 7KH &RXQFLO¶V WRWDO SURFXUHPHQW VSHQG LQ

Table 2: Procurement Spend by vCode Business Sector for 202 1/22/contd

vCode Business Sector	Total Spend 202 1/22
Manufacturing & Machinery	£0.28m

Section 7:

8.1 IMPLEMENTATION

8.1.1 Consultation

The Council will undertake relevant and proportionate consultation and engagement as part of the preparation of this Procurement Strategy. This will help W R H Q V X U H W K D W R X U D S S U R D F K D Q G V W U D W H J \ W D

8.3

National Policies:

- Equality Act 2010
- Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012
- Organisation for Economic Co-Operation and Development
- Procurement and Commercial Improvement Programme (PCIP) ±Overview
- Procurement Journey
- Procurement Reform Update (SPPN 1/2016)
-

Term	Description
Contract Management	The process of monitoring the performance of a supplier to contract.
Contract Notice	Advert to invite applicants to express interest and apply to tender,

Term	Description
HSCP	Health and Social Care Partnership, also referred to as the Argyll and Bute Integrated Joint Board being the Integration Joint Board established by Order under Section 9 of Public Bodies (Joint Working) (Scotland) Act 2014.
ICT	Information and Communications Technology
IJB	Integration Joint Board
KPIs	Key PerformqQ8o6C /P <</MCID 11>> BDC 0 g66.384 761.52 50i [redacted]

Section 10:

Term	Description
Value for Money	An economic assessment by the public sector as to whether a project represents value for money; the optimum combination of cost and quality to provide the required service.
Vendor Rating System	Internal Argyll and Bute Council methodology for selection of distribution lists for Works Quick Quotes.
Whole Life Costs	The costs of acquiring goods or services (including consultancy, design and construction costs, and equipment), the costs of operating it and the costs of maintaining it over its whole life through to its disposal ±that is, the total ownership costs. These costs include internal resources and overheads.

Section 11 ±Strategy Ownership & Contact Details

11.1 The Argyll and Bute Council Procurement, Commercial and Contract Management Team are part of the Legal and Regulatory Support Services team which sits within the Customer Services Directorate.

11.2 The Procurement, Commercial and Contract Management Team works with the &RXQFLO¶V 6HUYLFHV DQG VXSSOLHUV WR GHYHORS P Best Value.

11.3 The team is responsible for the procurement of works, goods and services for all Council departments; and for developing procurement processes, procedures, strategies and policies in line with national best practice.

11.4 If you have any queries in relation to this strategy, please contact:

- Anne MacColl-Smith, Manager, Procurement, Commercial and Contract Management Team
- Procurement@argyll-bute.gov.uk

Argyll and Bute Council

SUSTAINABLE PROCUREMENT

Section

2.3

5 SUSTAINABLE PROCUREMENT METHODOLOGY

5.1 Priorities

7 K H & R X Q F L O ¶ V 6 X V W D L Q D E O H 3 U R F X U H P H Q W 3 R O L F \ whilst remaining flexible to change as the Council continues to embed sustainability into the procurement process. This policy outlines the key sustainable procurement commitments which will be applied to all procurement activity carried out by the Council. Compliance with this policy and other linked policies set out in this document is mandatory. This will be achieved by a focus

3 Process

a) We will consider sustainability issues in relation to the economic, social and environmental wellbeing of our area throughout the procurement process, including within strategy documents and contract conditions and specifications.

b) We will use Community Benefits Clauses, where appropriate, in line with the Council's Procurement Guide, reporting on achievements to the Council Board on a quarterly basis.

c) In relation to economic considerations, our priorities will be:

- To use mandatory sub-contracting clauses in all proportionate and relevant contracts;
- To lot contracts where appropriate to encourage small and medium size organisations to bid, and to ensure that tender documents are proportional to the requirement to remove unnecessary obstacles.

d) In relation to social considerations, our priorities will be:

- To ensure there is no intentional discrimination against specific groups of people when undertaking procurements - Equalities and Diversity considerations will be embedded throughout the procurement process;
- To ensure that our contract terms require suppliers to support the health, safety, welfare and rights of their employees and supply chain – ensuring that the Council does not support human trafficking or modern slavery;
- To promote fair trade options throughout the Council;
- To promote the use of Supported Businesses, where their prices and capacity to deliver is comparable to the rest of the market.

e) In relation to environmental considerations, our priorities will be:

- To ensure that our procurements minimise our contribution to climate change and support goods, services and works that are well-adapted to the consequences of a changing climate;
- To ensure that our procurements are necessary – where appropriate re-using, repairing or refurbishing existing goods;
- To specify fresh, seasonal, nutritious and, where possible,

6 SUMMARY

Argyll and Bute Council is committed to the ongoing development and delivery of sustainable procurement for all three strands of sustainability: environmental, social and economic. By adopting the approach detailed above, this Sustainable Procurement Policy will help deliver local and national objectives which, in turn ensures a more sustainable outcome to our procurement activity.

For Further information please contact:

Elaine Appleby - Sustainability Lead Officer
Procurement , Commercial and Contract Management Team
Elaine.appleby@argyll -bute.gov.uk