



# **SUSTAINABLE PROCUREMENT STRATEGY**

September 2010

## **Purpose**

This strategy sets out a clear framework for procurement at Sevenoaks District Council. It reflects the priorities set out in the Community Plan (2010-13) and the Corporate Strategy and aligns with the financial and contract procedure rules set out in the Council's Constitution.

## **Development**

The Strategy is linked to an action plan to ensure the Council delivers best practice in sustainable procurement.

## **Updates**

The Strategy will be reviewed annually and updated as necessary to reflect developments in best practice procurement.





## **Contents:**

	Page
What is Procurement?	2
Council Vision and Strategic Priorities	2
Procurement at Sevenoaks District Council	2
Procurement Principles	3
Additional Information	5
Procurement Action Plan	6

## 1. What is Procurement?

- 1.1 Procurement is the process of acquiring goods, works and services from a range of suppliers. The process spans the whole cycle from the identification of needs through to the end of a services contract or the end of the useful life of an asset.
- 1.2 Procurement is broader than just buying or commissioning, it is about securing goods and services that best meet the needs of service users and the local community.
- 1.3 Procurement is a tool that when used effectively helps the Council to achieve its overall objectives. It remains critical to deliver best value in procurement but that does not mean that key focus should be on price. It is important that procurement decisions are made in line with wider service and Council objectives. For Sevenoaks District Council this means considering environmental, social and community benefits alongside financial cost. Striking this balance is at the heart of best value procurement.

## 2. Council Vision and Strategic Priorities

- 2.1 All procurement activity is undertaken to help the Council achieve its overall objectives. These are set out in the Sevenoaks District Community Plan. It is the Council's vision to:  
*To lead the whole community in meeting its needs; and to work in partnership to improve the quality of life within the District*
- 2.2 The Council's priorities are set and its achievements measured, against four themes:
  -  Safe and Caring Communities
  -  Green and Healthy Environment
  -  Dynamic and Sustainable Economy
  -  Effective Management of Council Resources
- 2.3 The principal aim of this Procurement Strategy is to set a clear framework for best value procurement that enables the Council to achieve these priorities and deliver its vision for the District.

## 3. Procurement at Sevenoaks District Council

- 3.1 Procurement is a key function that is embedded across all Council services. The Council has developed 'Procurement Champions' in each service area to ensure a best practice approach is adopted

whenever a procurement exercise is undertaken. 'Procurement Champions' are supported by independent advice from the Audit & Efficiency Manager and Legal Services.

- 3.2 This approach ensures the Council has a pool of procurement experience to draw on to deliver its aim of embedding best practice procurement across the Council.
- 3.3 The production of annual Procurement Plans are a key tool for services. They set out what needs to be procured each year, at what point in time and by which procurement method, i.e. quote, tender or EU procurement. The Procurement Plans form the basis for all procurement activity at Sevenoaks District Council.

## **4. Procurement Principles**

### **4.1 Best Value**

- 4.1.1 The Council seeks to deliver the best value for money in the procurement of all goods and services. This may not always be the lowest price but the procurement option that delivers the best value for money over the whole life of the product or contract.
- 4.1.2 An assessment of best value will incorporate a number of the principles set out in this strategy.

### **4.2 Sustainable Procurement**

- 4.2.1 Sustainability is an important consideration when making procurement decisions. It ensures that the Council considers the environmental impact of its procurement decisions. Environmental impact is assessed at the key stages of procurement to ensure that principles of waste reduction, recycling and use of environmentally acceptable materials are met.
- 4.2.2 The Council has adopted a Carbon Management Action Plan and is currently developing a Climate Change Strategy. These principles will be applied, where appropriate, to procurement policies and processes.
- 4.2.3 Tools have been developed to assist officers in applying sustainability considerations to procurement exercises including a 'Sustainable Procurement Checklist' and 'Pre-Purchase Questionnaires'.

### **4.3 Equalities and Diversity**

- 4.3.1 All procurement procedures comply with the Council's Equalities Policy and incorporate the duty to promote racial equality and to comply with the Disability Discrimination Act.

4.3.2 The Council has regard to appropriate workforce strategies through the procurement process and includes an assessment of a potential suppliers approach to equalities and diversity as part of the tender evaluation criteria.

4.3.3 Tools have been developed to ensure officers apply Equalities criteria to procurement decisions including an 'Equalities Checklist' and 'Impact Assessment' templates.

#### **4.4 Collaboration and Working in Partnership**

4.4.1 The Council is committed to collaborating with other local authorities and organisations in the procurement process whenever it is appropriate. At each point a procurement need arises the Council always considers whether working in partnership or collaborating could deliver better outcomes or value for money.

#### **4.5 Supporting Local Businesses and Small and Medium Enterprises**

4.5.1 The Council is committed to supporting local businesses and community organisations, as well as small and medium enterprises (SMEs) to compete for and win contracts, insofar as it is possible within the legal framework.

#### **4.6 Ethical behaviour**

4.6.1 The highest standards of professional behaviour are expected from all Councillors and Officers in their dealings with partners and suppliers. The Council must always act with integrity and, where possible, with openness in undertaking procurement.

4.6.2 Any conflicts of interest in the procurement process are documented and managed in line with the Council's Constitution.

4.6.3 The Council must always act fairly with suppliers in all matters, including prompt payment in accordance with agreed terms. There is no favouritism or bias shown towards one supplier over another. Procurement decisions must always be communicated clearly.

#### **4.7 Effective practice**

4.7.1 The Council fulfils its statutory duties meeting both EU Directives and UK statutory requirements, and taking account of case law that emerges. The Council also ensures that it follows the rules set out in its Constitution.

4.7.2 No one individual is permitted to authorise all stages of the procurement process. The authority to release funds from a budget is separated from the authority to certify the purchase, so as to ensure

that at least two people are involved in determining that the purchase is legitimate, necessary and that it delivers value for money.

#### **4.8 Decision Making**

- 4.8.1 Procurement decisions are based on clear and justifiable evidence. They are transparent and have an audit trail which can be scrutinised.
- 4.8.2 Criteria are established prior to invitations to tender to enable a balanced assessment to be made which takes into account quality, deliverability and fitness for purpose. Such criteria are shared with potential suppliers.
- 4.8.3 Procurement decisions are always made on the basis of the whole life evaluation of quotes and tenders.

#### **4.9 Risk Management**

- 4.9.1 The Council ensures that any risk to the authority or the community it serves, is properly recognised in all its procurement dealings. Risks are identified, evaluated and managed at every stage of the procurement process in accordance with the Council's risk management strategy and framework.

#### **4.10 Continuous Improvement**

- 4.10.1 Procurement opportunities are always seen as an opportunity to improve. This can be improved outcomes for service users or the local community, better performance levels or reduced cost.
- 4.10.2 Continuous improvement is also applied to the ongoing training and development of officers involved in the procurement process and the tools the Council uses to assist in procurement activity. This includes the use of annual procurement plans, flow charts of procurement rules, user friendly guides and best practice advice on the Council Intranet and the use of the South East Business (SEB) portal.
- 4.10.3 Where contracts run for a number of years the contract is sufficiently flexible to provide for continuous improvement through the period of the contract.

#### **4.11 Staffing-related issues**

- 4.11.1 Employees affected by any procurement process are consulted and those who may transfer as a consequence of a procurement decision will be protected under the Transfer and Undertaking Protection Regulations (TUPE).
- 4.11.2 The Council is committed to ensuring that contractors are good employers, and will look to ensure that contractors (and their

subcontractors) utilise local labour wherever possible, particularly for apprenticeship schemes and similar.

## **5. Additional Information**

5.1 The Council's Procurement Strategy is aligned to the commitments made in a number of other Council plans and strategies. These include the:

- Council's Constitution
- Financial Procedure Rules
- Contract Procedure Rules
- Medium Term Financial Strategy
- Human Resources Strategy
- Comprehensive Equality Policy
- IT Strategy
- Risk Management Strategy

5.2 Further procurement guidance is available to all Members and Officers on the Council's Intranet. This information includes:

- Procurement Policies
- 'How to' Procurement Guides
- Best practice tools and advice
- Partnership Toolkit

5.3 Further procurement guidance is available to all potential suppliers on the Council's website. This information includes:

- Suppliers Guide
- Financial Thresholds for contracts and tenders
- Contract Register (through SEB Portal)
- Current Contract Opportunities (through SEB Portal)

## **6. Procurement Action Plan**

6.1 To ensure that the Council delivers the best practice in procurement that this Strategy sets out a Sustainable Procurement Action Plan is in place.

6.2 The Action Plan is monitored by the Council's Strategic Procurement Group and periodically reported to the Management Team for further scrutiny.