

ARGYLL AND BUTE COUNCIL



**PROCUREMENT & COMMISSIONING STRATEGY
2018/19 & SUSTAINABLE PROCUREMENT POLICY
2018/19**

STAKEHOLDER CONSULTATION REPORT

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1 INTRODUCTION

Argyll and Bute Council's Procurement and Commissioning Team (PCT) would like to begin this report by thanking all stakeholders who took the time to respond to our consultation in relation to the Procurement and Commissioning Strategy 2018/19 and the Sustainable Procurement Policy 2018/19. It is important for us to ensure that our key documents and the priorities they contain reflect the concerns of our key stakeholder groups, both internal and external.

2 BACKGROUND

2.1 Procurement Strategy

The Argyll and Bute Council Procurement Strategy 2018/19 sets out a framework which is designed to enable the Council to continue on its journey of change and innovation through:

- Building capacity and skills within the Council to continue to improve commissioning and procurement activity;
- Increasing the level of collaboration both internally, between service areas, and externally with other partner organisations;
- Engaging proactively with key suppliers through contract and supplier relationship management to ensure that we extract maximum value and innovation from our supply base;
- Focusing our commissioning and procurement activity on delivering improvements for the people and communities in Argyll and Bute;
- Working cooperatively in everything we do to support SMEs and the third sector.
- Ensuring procurement activity contributes towards the Council's general Equality Duty towards all stakeholders in Argyll and Bute and beyond.

2.2 Sustainable Procurement Policy

The Argyll and Bute Council Sustainable Procurement Policy 2018/19 sets out the direction for the Council and builds on existing sustainability practice. The Policy covers the three strands of sustainability: environmental, social and economic and aims to meet the substantial challenges of balancing the complexities of sustainable procurement within today's economic climate and continued drive for best value.

2.3 The Council has a statutory requirement to update and publish both its Procurement Strategy and its Sustainable Procurement Policy on an annual basis following the key changes introduced by the Procurement Reform (Scotland) Act 2014 and the Procurement (Scotland) Regulations 2016.

2.4 The Council also has a requirement to consult with key stakeholder groups for both of these documents. The aims of the consultation were:

- To increase awareness of the Council's Procurement & Commissioning Strategy and Sustainable Procurement Policy and engage meaningfully with key stakeholder groups;
- To make sure the links between the strategy and policy and other relevant strategies and plans are clear; and
- To enable a diverse range of stakeholder groups to take part and thereby influence the strategy and policy.

2.5 The consultation was completed in September 2017, via a web-based survey on the Council's website. The consultation was publicised via emails to key internal and external stakeholders, as well as being available to the general public through the consultations section on the Council's website. Appendix 1 details the consultation questions asked and Appendix 2 details the responses received.

3 CONSULTATION OUTCOMES

3.1 28 responses were received, nearly two thirds of which were from Council staff and just 5 from suppliers. This was a big reduction from the 55 responses received for the similar consultation undertaken in 2016. In general, respondents found the strategy easy to read, easy to follow, comprehensive and with clear priorities appropriate for the Council. This also applied to the Sustainable Procurement Policy. In addition we received some valuable free format comments which are all listed in Appendix 2 along with the Council's response to each. As a result of the consultation we have amended the policy documents to make them easier to read.

3.2 The majority of responses to the open-ended questions within the consultation were received from internal stakeholders, and the feedback provided covered queries in relation to areas already covered in the documents or in more operational documents, as well as feedback on the structure and content of the key priorities. Procurement comments on these responses have been provided, and the team will consider the application of improvements where relevant.

3.3 Overall, the responses to the consultation have been very positive about the content of the new Procurement & Commissioning Strategy and Sustainable Procurement Policy.

3.4 The responses outlined in Appendix 2 have been taken into account through revisions to the draft documents in the following ways:

3.4.1 Within the Sustainable Procurement Policy, Parts 3 (Public Sector Procurement Landscape and Sustainable Procurement) and 4 (Local Landscape and sustainable Procurement) have been streamlined to simply list the influences on this policy rather than providing explanatory details for each item;

3.4.2 Also within the Sustainable Procurement Policy, Part 5 (Sustainable Procurement Methodology), the priorities within section 3 – Processes have been restructured and streamlined to increase understanding of how the priorities relate to the three elements of Sustainability – Economic, Social and Environmental.

3.5 The Procurement and Commissioning team has also taken account of the outcomes of this consultation in the following ways:

3.5.1 The process for future consultation exercises will be developed taking into consideration feedback received for this consultation, as well as the approach used by other local authorities. The team will aim for continuous improvement in this area to reflect best practice.

3.5.2 The standard template documents will be reviewed to ensure they reflect the feedback received in this consultation, to meet the needs of all stakeholders.

4 CONCLUSION

4.1 Although only limited stakeholder responses were received, these included well-considered comments which we have found very valuable. The policy has been simplified in response to the comments and we have ensured that all matters highlighted by stakeholders have been included in the strategy.

APPENDIX 1 - SURVEY QUESTIONS

1. Please advise which key stakeholder group(s) you belong to:

- Argyll and Bute Council employees
- Argyll and Bute Councillors
- Local MSPs, MP, and MEPs
- Suppliers to Argyll and Bute Council
- Community Planning Partners
- Community Councils
- Other interested parties (please state)
- General public

PROCUREMENT & COMMISSIONING STRATEGY 2018/19

General:

2. How informative or otherwise did you find the Strategy?

- Very informative
- Informative
- Neutral
- Uninformative
- Very uninformative

3. To what extent do you agree or disagree with the following statements in relation to the Strategy?

- a. The strategy was easy to read
 - Strongly agree
 - Agree
 - Neither Agree or Disagree
 - Disagree
 - Strongly disagree
- b. The format made it easy to follow
 - Strongly agree
 - Agree
 - Neither Agree or Disagree
 - Disagree
 - Strongly disagree
- c. The strategy is comprehensive
 - Strongly agree
 - Agree

- Neither Agree or Disagree
- Disagree
- Strongly disagree

- d. The key priorities are clear
- Strongly agree
 - Agree
 - Neither Agree or Disagree
 - Disagree
 - Strongly disagree

Strategic Context:

4. Are there any strategic issues which the Strategy has not considered? If yes, please identify them below and give details of how the Procurement & Commissioning Strategy should address them.

Priority Themes:

Four key priority areas have been identified in the Strategy:

- Improve procurement processes and policies;
- Increase expertise, capacity and effectiveness;
- Ensure compliance with complex European Union Procurement Legislation, and with Public Contracts (Scotland) Regulations 2015 and the Procurement Reform (Scotland) Act 2014 and associated mandatory guidance.
- Supporting the Council’s transformational changes

5. Do you consider these key priority areas to be appropriate for the Council?

- Yes
- No

6. Would you propose an additional or alternative key priority area(s)?

Key Priorities:

7. Within the four key priority areas we have listed various specific priorities in relation to our regulated procurements; do you consider these to be the right priorities for procurement within the Council?

- Yes
- No

8. Are there any additional priorities we should include in relation to regulated procurements?

SUSTAINABLE PROCUREMENT POLICY 2018/19

General:

9. How informative or otherwise did you find the Sustainable Procurement Policy?

- Very informative
- Informative
- Neutral
- Uninformative
- Very uninformative

10. To what extent do you agree or disagree with the following statements in relation to the Policy?

- a. The policy was easy to read
 - Strongly agree
 - Agree
 - Neither Agree or Disagree
 - Disagree
 - Strongly disagree
- b. The format made it easy to follow
 - Strongly agree
 - Agree
 - Neither Agree or Disagree
 - Disagree
 - Strongly disagree
- c. The policy is comprehensive
 - Strongly agree
 - Agree
 - Neither Agree or Disagree
 - Disagree
 - Strongly disagree
- d. The priorities are clear
 - Strongly agree
 - Agree
 - Neither Agree or Disagree
 - Disagree
 - Strongly disagree

Priorities:

11. Within the 5 priority areas identified within the Sustainable Procurement Policy (People; Objectives, Strategy & Communications; Process; Stakeholders; and Monitoring & Reporting) we have identified various specific priorities, do you consider these to be the right priorities for Sustainable Procurement within the Council?

- Yes
- No

12. Are there any additional priorities we should include in relation to Sustainable Procurement?

COMMENTS

13. Are there any other comments you would like to make about the draft Procurement & Commissioning Strategy 2018/19 and Sustainable Procurement Policy 2018/19?

14. Please provide your contact details here if you would like to receive feedback on the outcome of this consultation exercise, and the final versions of the Procurement & Commissioning Strategy 2018/19 and the Sustainable Procurement Policy 2018/19:

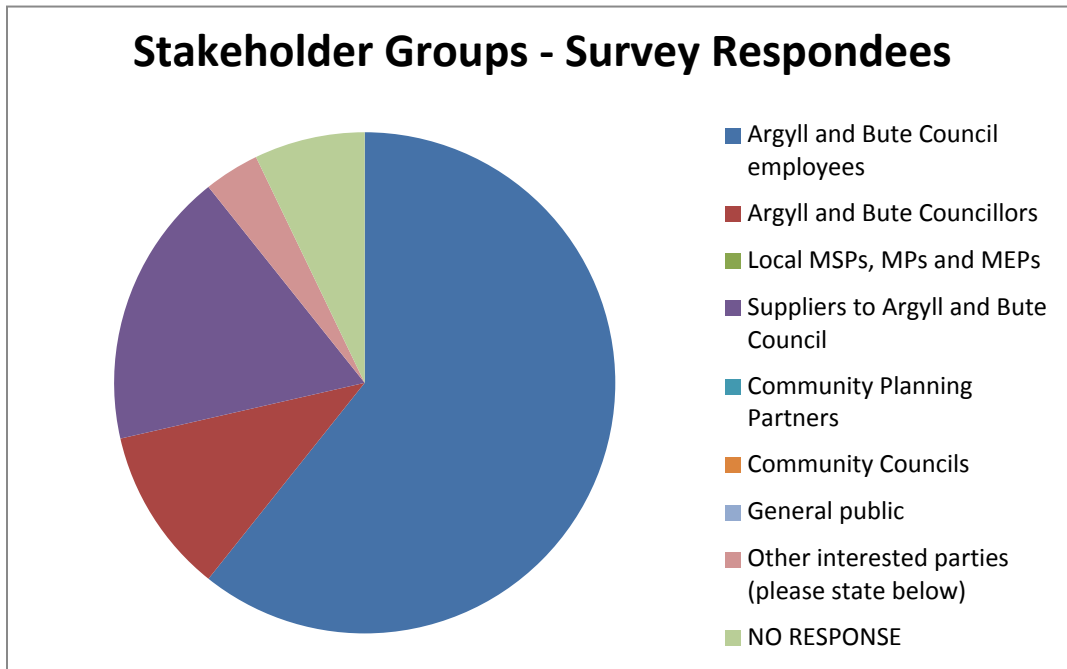
- Name
- Organisation
- Email address
- Tel

APPENDIX 2 - SURVEY RESPONSES

28 responses were received to the consultation survey. Last year's consultation received 55 responses to the consultation survey, and an additional 4 items of feedback in relation to the documents were received via email.

1. Please advise which key stakeholder group(s) you belong to:

Stakeholder Groups	2016 Respondents (%)	2017 Respondents (%)
Argyll and Bute Council employees	71	61
Argyll and Bute Councillors	2	11
Local MSPs, MP, and MEPs	0	0
Suppliers to Argyll and Bute Council	15	18
Community Planning Partners	0	0
Community Councils	7	0
Other interested parties	2	4
General public	4	0
No response to question	-	7

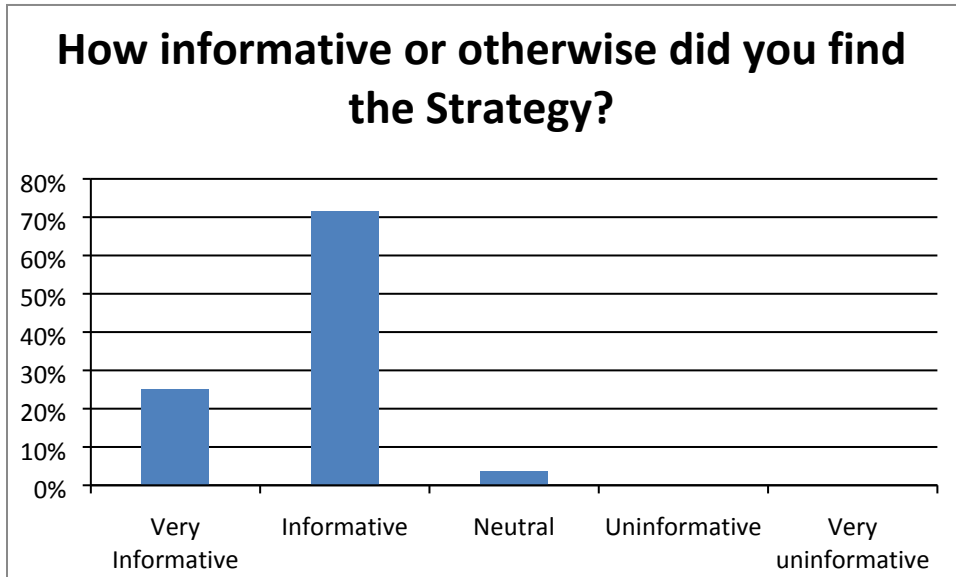


PROCUREMENT & COMMISSIONING STRATEGY 2018/19

General:

2. How informative or otherwise did you find the Strategy?

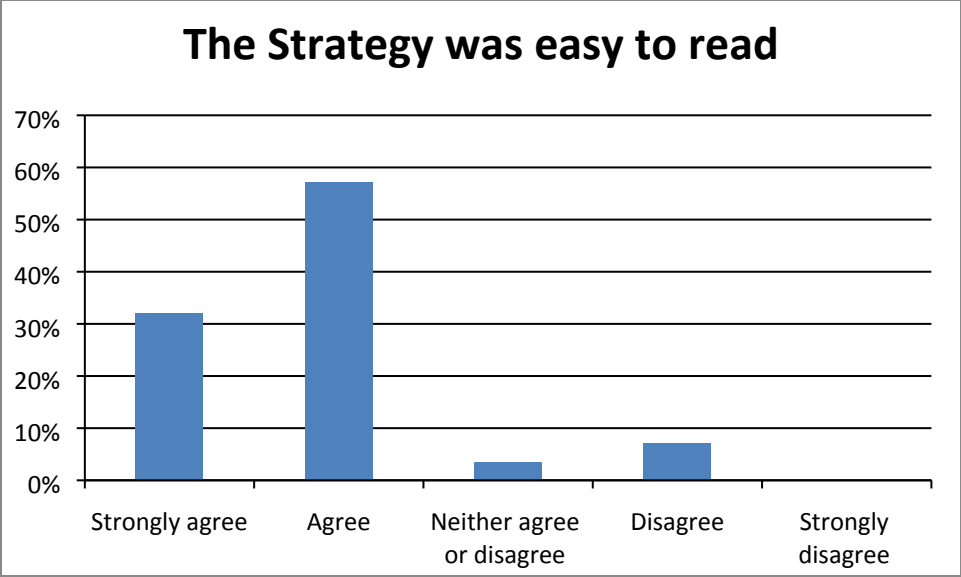
96% of respondents found the Procurement & Commissioning Strategy to be either Informative or Very Informative, with no respondents stating that it was uninformative.



3. To what extent do you agree or disagree with the following statements in relation to the Strategy?

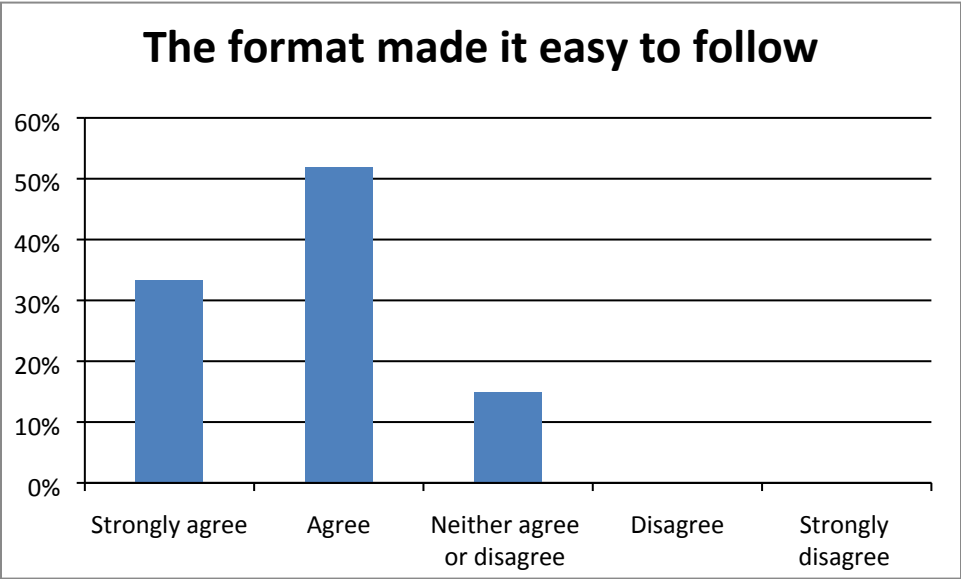
a. The strategy was easy to read

89% of respondents agreed or strongly agreed that the Strategy was easy to read; only 7% disagreed.



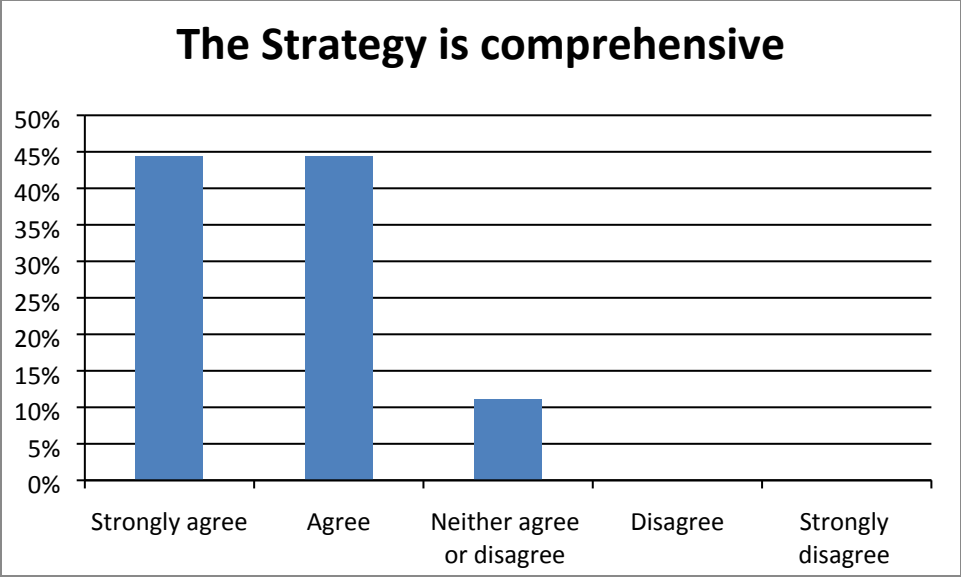
b. The format made it easy to follow

85% of respondents agreed or strongly agreed that the format of the Strategy made it easy to follow; no respondents disagreed, although 15% provided a neutral response.



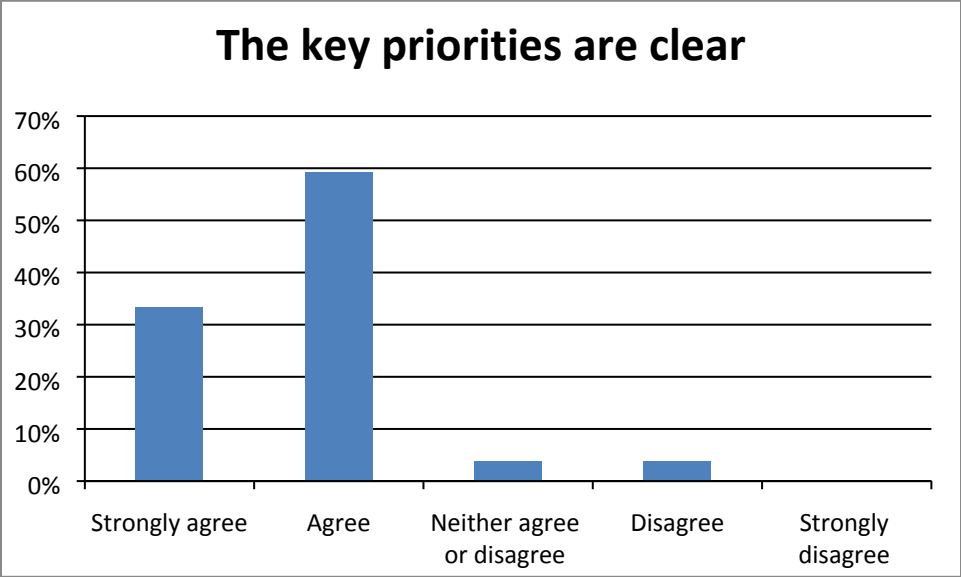
c. The strategy is comprehensive

89% of respondents agreed or strongly agreed that the Procurement & Commissioning Strategy is comprehensive; no respondents disagreed, although 11% provided a neutral response.



d. The key priorities are clear

92% of respondents agreed or strongly agreed that the key priorities within the Strategy are clear; only 4% of respondents disagreed.



Strategic Context:

- Are there any strategic issues which the Strategy has not considered? If yes, please identify them below and give details of how the Procurement & Commissioning Strategy should address them.**

Consultation Feedback	Procurement Comment
<p>Opportunities to compare current cost of procurement and contacting out a service with possibility of in house provision - particularly in areas and services where there might not be sufficient commercial interest to be sure that bids are competitive.</p>	<p>This is covered by the Make or Buy Analysis as part of Commodity Sourcing Strategy for all procurements that are of a Regulated value; this is a priority within the Sustainable Procurement Policy rather than the Procurement & Commissioning Strategy.</p>
<p>Heavily weighted to front end procurement but very light on post contract award contract management and ensuring the council is getting everything it should. Should fostering competition be an aim e.g. West Coast Motors getting millions for transportare there micro local suppliers we should consider?</p>	<p>The Procurement and Commissioning Strategy has emphasised the importance of continuing and increasing the contract management training for staff within the departments carrying out this key function; within Key Priority area b. Increase expertise, capacity and effectiveness. Delivering competition and best value for the Council is embedded within our vision and overall Procurement Principles.</p> <p>In relation to our transport contracts, these all have detailed strategies in place which have included engaging with the supply market, providing sub-contracting opportunities within main contracts for local micro-suppliers, and have resulted in both savings to the Council and improved contract management which have provided the Council with further savings from these contracts.</p>
<p>Yes, the issue of the amount of 'single use plastics' that the Council uses on a daily basis. This Council culture must be transformed to a more environmentally friendly one.</p>	<p>Your feedback is noted, and will be shared with the Council's Climate Change Board, as a decision would need to be made at Council-level, we in procurement can only provide advice and assistance within our processes to ensure that Council contractors meet our sustainability requirements. Individual departments within the Council have the responsibility for creating specifications to meet their requirements and are guided by Council policy. The procurement team assist with this process to ensure compliance with all relevant legislation and internal requirements.</p>
<p>The strategy mentions SMEs but not the considerable value in involving social enterprises and community based charities in delivery of council services. In other words growing the circular economy of Argyll. There are examples where delivery through these types of organization will deliver tangible and greater social, environmental and economy benefits to Argyll and Bute citizens than through traditional large business routes. The strategy can address this by;</p>	<p>Working with and consulting the third sector, which includes social enterprises; and encouraging these organisations to become involved in public sector procurement is included within various priorities within the Procurement Strategy and Sustainable Procurement Policy.</p> <p>1 - Although we do not have access to a list of this nature, the Council does consider whether there are third sector suppliers within the supply market when developing strategies for individual procurements.</p> <p>2 - The Council is unable to favour third sector and local suppliers in this manner. The Council's</p>

<p>1. Ensuring there is a list of third sector organisations and their services that is promoted to all those responsible for procuring services in the council</p> <p>2. Identifying services and goods that Argyll based third sector organisations might be able to supply and promoting these to the third sector organisations</p> <p>3. Targeting tender adverts specifically to third sector organizations and communication channels.</p> <p>4. Providing training and capacity building for Argyll third sector organisations to ensure they have the capacity to meet the council's tendering requirements</p> <p>5. Ensuring procurement scoring exercises recognize and reward bidders who include third sector organisations in their bids.</p>	<p>contract plan is published on our website and is freely available to all interested suppliers.</p> <p>3 - All tenders are advertised using the Public Contracts Scotland website, which is free for suppliers to register with. In addition, Ready for Business extracts tender opportunities that third sector organisations may be interested in and shares this with their contacts.</p> <p>4 - The Council already works with the Supplier Development Programme to offer training opportunities for potential suppliers within Argyll and Bute, and has regular Meet the Buyer events across Argyll and Bute that are available to third sector organisations.</p> <p>5 - The Council is unable to favour third sector suppliers within the procurement process, our evaluation methodology must be open, fair and transparent.</p>
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Priority Themes:

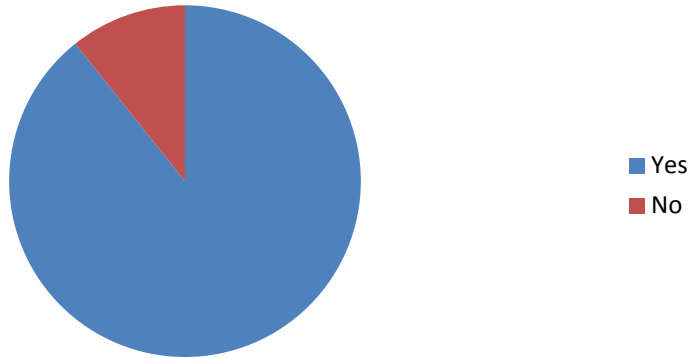
Four key priority areas have been identified in the Strategy:

- Improve procurement processes and policies;
- Increase expertise, capacity and effectiveness;
- Ensure compliance with complex European Union Procurement Legislation, and with Public Contracts (Scotland) Regulations 2015 and the Procurement Reform (Scotland) Act 2014 and associated mandatory guidance.
- Supporting the Council’s transformational changes

5. Do you consider these key priority areas to be appropriate for the Council?

89% of respondents agreed that the key priority areas are appropriate for the Council; 11% of respondents disagreed.

Do you consider these key priority areas to be appropriate for the Council?



6. Would you propose an additional or alternative key priority area(s)?

Consultation Feedback	Procurement Comment
Support the Council to achieve Best Value and Value for Money	The importance of achieving Best Value is embedded within the Council's overall Procurement Vision and Principles, which apply to all procurements within the Council. It is also within our strategic aims which apply to all procurements, rather than being a key priority area for regulated procurements.
Improve transparency over contract award process and outcomes.	Transparency throughout the procurement process is covered both within our Procurement Principles, and within the key priority area a - Improve procurement processes and policies.
Argyll and Bute Council's Sustainable Procurement Policy sets out the direction for the Council and builds on existing sustainability practice. However, there is an urgent need to reduce our use of 'single use plastics' across the Council. A key priority area must include environmental sustainability.	Please see our response in relation to this feedback provided for the Sustainable Procurement Policy below.
The ultimate aim of procurement is to deliver best value services to citizens, therefore I think that effectively and efficiently managing existing contracts to deliver positive outcomes (in order to avoid costly procurement processes) should also be considered as a priority area.	Key priority b. Increase expertise, capacity and effectiveness - states that we will do this by: Developing and professionalising contract and supplier management practices to ensure that we are getting the most value and innovation from our contractual relationships while maintaining appropriate standards.

Additional priority to include; Increase the circular economy of Argyll and Bute by reducing barriers to third sector organisations bidding for council contracts.

This has been covered through priorities within the Sustainable Procurement Policy - section 4 Engaging Stakeholders:

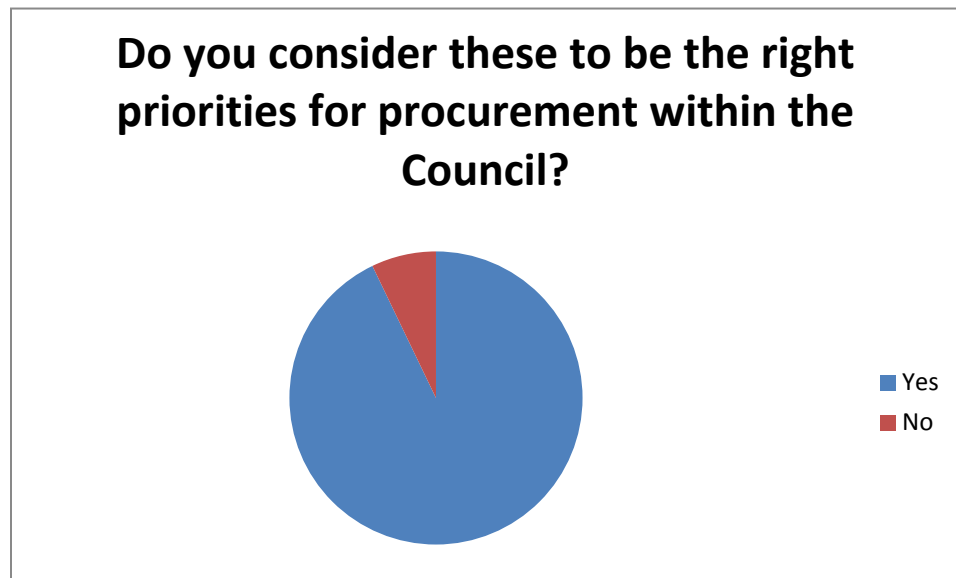
a) We will engage with our suppliers and stakeholders to remove barriers to participation in procurement and maximise impact of sustainable opportunities.

b) We will support local and regional small and medium sized enterprises, voluntary and community groups, social enterprises, charities and cooperatives, businesses involving minority individuals and groups, and individuals and groups with protected characteristics, to participate in procurement opportunities.

Key Priorities:

7. **Within the four key priority areas we have listed various specific priorities in relation to our regulated procurements; do you consider these to be the right priorities for procurement within the Council?**

93% of respondents agreed that the priorities listed are the right priorities for procurement within the Council; only 7% of respondents disagreed.



8. Are there any additional priorities we should include in relation to regulated procurements?

Consultation Feedback	Procurement Comment
<p>There must be more emphasis on the Council being more environmentally responsible and lead by example. The Council should be using 100% recyclable, biodegradable materials, this would reduce annual land-fill costs to the Council. The Council needs to engage more proactively with key suppliers in starting to deliver a transformational change.</p>	<p>Your feedback is noted, and will be shared with the Council's Climate Change Board, as a decision would need to be made at Council-level, we in procurement can only provide advice and assistance within our processes to ensure that Council contractors meet our sustainability requirements. Individual departments within the Council have the responsibility for creating specifications to meet their requirements and are guided by Council policy. The procurement team assist with this process to ensure compliance with all relevant legislation and internal requirements.</p>
<p>It would be helpful for suppliers to know in advance the timetable of planned commissioning in order to prepare for commissioning processes: it often seems (to the supplier) that tender processes begin suddenly when - of course - these will have been well planned and scheduled by the procurement and commissioning team. If suppliers were aware of the timetable then their improved preparation would lead to improved tender submissions and hence improved outcomes for the Council.</p>	<p>A contract plan is available on the Council's website which is updated regularly to provide information to the extent that it is made available to the Procurement & Commissioning Team by individual departments within the Council, in relation to upcoming regulated procurements. These regulated procurements are also included within the Annual Procurement Report, to the extent that they are known at time of publication.</p>

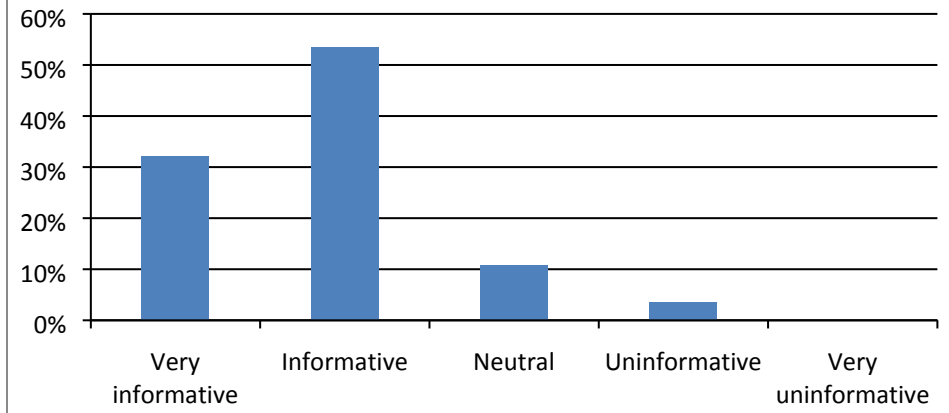
SUSTAINABLE PROCUREMENT POLICY 2018/19

General:

9. How informative or otherwise did you find the Sustainable Procurement Policy?

86% of respondents found the Sustainable Procurement Policy to be either informative or very informative; only 4% disagreed, and found it to be uninformative.

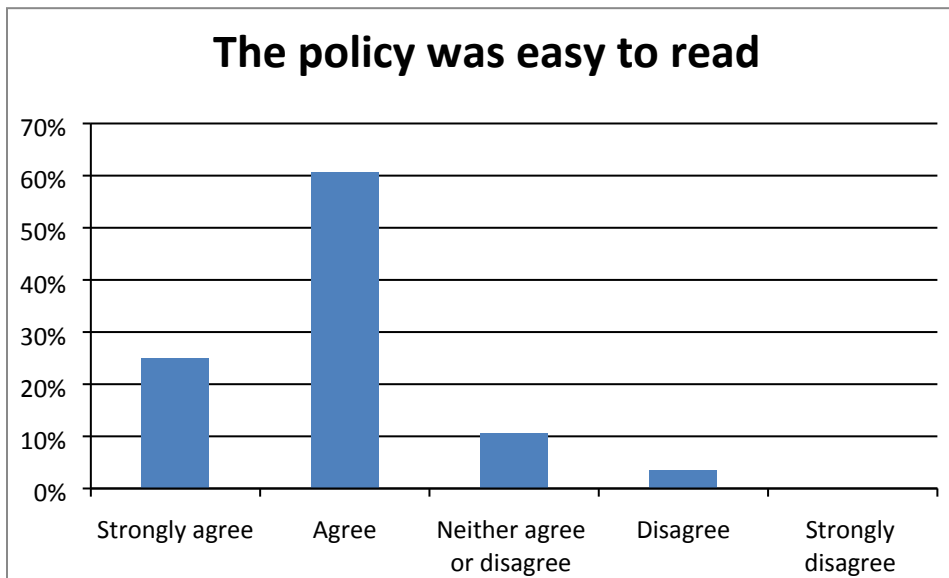
How informative or otherwise did you find the Sustainable Procurement Policy?



10. To what extent do you agree or disagree with the following statements in relation to the Policy?

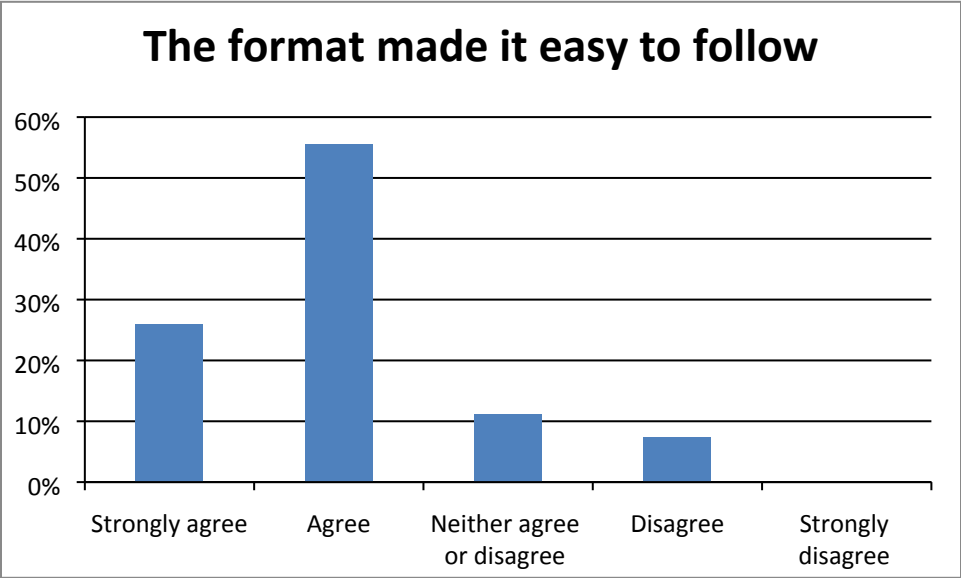
a. The policy was easy to read

86% of respondents indicated that they either strongly agreed or agreed that the Sustainable Procurement Policy was easy to read; only 4% disagreed.



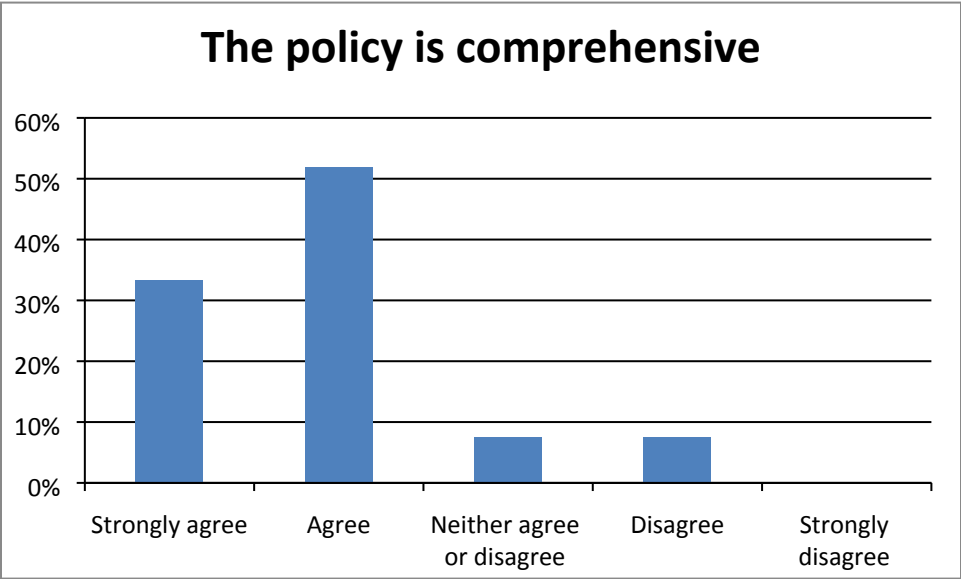
b. The format made it easy to follow

82% of respondents indicated that they either strongly agreed or agreed that the format of the Sustainable Procurement Policy made it easy to follow; only 7% disagreed.



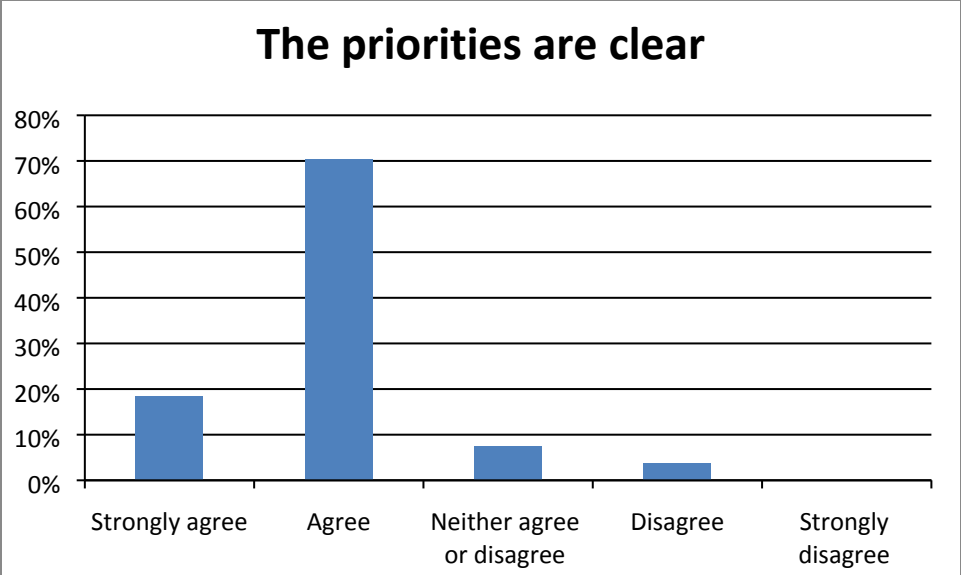
c. The policy is comprehensive

85% of respondents indicated that they either strongly agreed or agreed that the Sustainable Procurement Policy is comprehensive, only 7% disagreed.



d. The priorities are clear

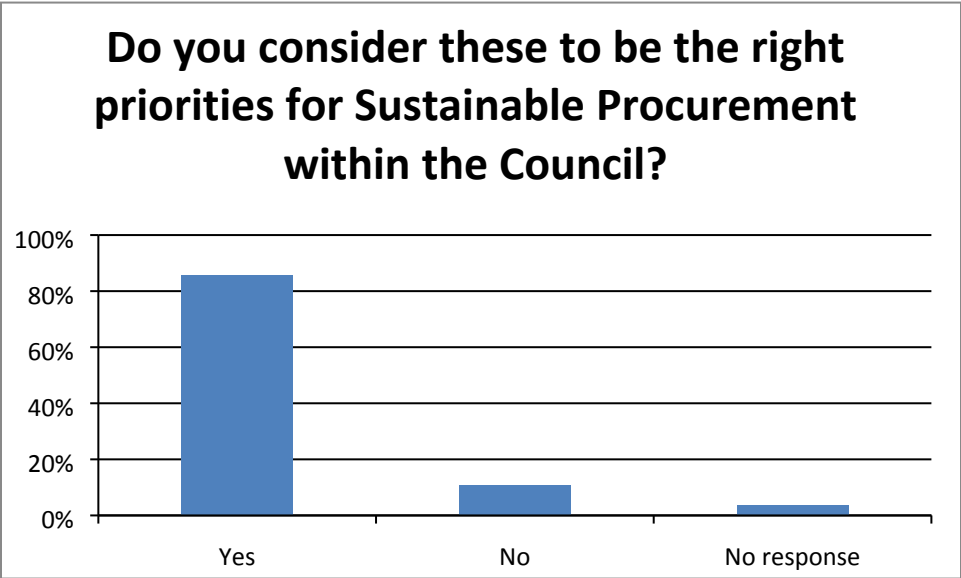
89% of respondents indicated that they either strongly agreed or agreed that the priorities included in the Sustainable Procurement Policy were clear, only 4% disagreed.



Priorities:

11. Within the 5 priority areas identified within the Sustainable Procurement Policy (People; Objectives, Strategy & Communications; Process; Stakeholders; and Monitoring & Reporting) we have identified various specific priorities, do you consider these to be the right priorities for Sustainable Procurement within the Council?

86% of respondents indicated that they consider the current priorities to be the right priorities for the Council, 11% disagreed.



12. Are there any additional priorities we should include in relation to Sustainable Procurement?

Consultation Feedback	Procurement Comment
<p>However there were many many subpriorities listed and I doubt if these can all be prioritised - need whittling down or they are not priorities.</p>	<p>The priorities identified within the Sustainable Procurement Policy under section 3 - Process have been restructured and streamlined to take account of this feedback.</p>
<p>As mentioned above, the Council must revise it's Objectives to include and implement it's waste management responsibilities. Priorities must contribute to the Council's Best Value obligations, towards the Procurement & Commercial Improvement Programme (PCIP), Best Practice Indicators (BPIs) and towards Climate Change targets. If these priorities and targets are to be met by 2020, action needs to be taken across all Council departments. The Marine & Coastal Development department, Planning Policy, is already engaging with KIMO International for a regional wide reduction of single use plastics. Argyll and Bute already has a huge marine and coastal plastics problem; action is needed. It is important for us to start internally; having environmental friendly suppliers and having a different attitude to our throw away society.</p>	<p>Your feedback is noted, and will be shared with the Council's Climate Change Board, as a decision would need to be made at Council-level, we in procurement can only provide advice and assistance within our processes to ensure that Council contractors meet our sustainability requirements. Individual departments within the Council have the responsibility for creating specifications to meet their requirements and are guided by Council policy. The procurement team assist with this process to ensure compliance with all relevant legislation and internal requirements.</p>
<p>The definition of sustainable procurement is helpful.</p> <p>Should there be reference to Scottish Living Wage (in terms of achieving the council's strategic priorities and the inflationary impact on commissioning)?</p>	<p>As the Living Wage has been referenced throughout the Procurement & Commissioning Strategy, it has not been included specifically within the Sustainable Procurement Policy to avoid duplication.</p>
<p>The strategy takes a narrow view of sustainability. It needs to address social, environmental as well as economic sustainability criteria.</p>	<p>The priorities identified within the Sustainable Procurement Policy cover all 3 elements of Sustainable Procurement - Social, Economic and Environmental. Section 3 - Process has been restructured to highlight our priorities within each element.</p>

COMMENTS

13. Are there any other comments you would like to make about the draft Procurement & Commissioning Strategy 2018/19 and Sustainable Procurement Policy 2018/19?

Further comments	Procurement Comment
Do we have to have the long and turgid explanation of all the acts etc underpinning the sustainable proc policy? It is part of a Strategy doc and so needs to be high level and shortish.	This information had been included in the Sustainable Procurement Policy to assist our stakeholders in understanding the external influences on the contents of our policy, that it does not sit in isolation. We have now taken this feedback into account and streamlined this section to remove the explanatory detail for each of the Acts etc, and simply have the titles to allow stakeholders to read further if they wish to do so.
It's very long.	We are aware of the combined length of these 2 documents and had aimed to streamline them in this new version. We have accomplished this through reducing the overall document length from 61 pages for the 2016/17-2017/18 version to 46 pages for the 2018/19 version (now reduced to 44 pages after revisals based on consultation feedback). We will take this feedback into account when carrying out our update next year, to further streamline the contents where possible.
It is very long, filled with jargon and does not feel like a document that will have a wide circulation/readership outside of the council. As an internal document for procurement experts then it is very beautiful. As a supplier, I'm not sure how I should engage with the strategy or hold the procurement team to account for delivering the strategy: my focus is more on delivering innovative and impactful solutions in an evolving and dynamic environment.	Your feedback is noted, the Council has taken steps this year to remove the jargon and reduce the detail that was in previous strategies to ensure that it is more relevant and concise. We will continue to review the strategy on an ongoing basis by benchmarking this with other public sector organisations to ensure a consistent approach is taken. The consultation allows suppliers to engage with the Council and provide constructive feedback to us on the content to ensure that our key documents and the priorities they contain reflect the concerns of our key stakeholder groups, both internal and external.

14. Please provide your contact details here if you would like to receive feedback on the outcome of this consultation exercise, and the final versions of the Procurement & Commissioning Strategy 2018/19 and the Sustainable Procurement Policy 2018/19:

12 respondents requested feedback on the outcome of the consultation, and the final versions of the Procurement and Commissioning Strategy 2018/19 and the Sustainable Procurement Policy 2018/19. These respondents will be sent this report and the final documents once approved by Full Council.