



Argyll and Bute Council

PROCUREMENT STRATEGY

2022/25

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Section 1 - Overview

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 words, how and what the Council's spends its money on over the next 3 years.

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.

Argyll and Bute Council recognises the value of existing relationships with suppliers and contractors and seeks to build and strengthen those relationships. Local businesses and the third sector play a valuable role in supporting the work of the local authority. The Strategy aims to help remove the barriers often faced by smaller organisations with limited resources in bidding for work tendered by the Council.

The Procurement, Commercial and Contract Management Team (PCCMT) has provided, and will continue to provide, support to local organisations by structuring tender opportunities, wherever possible, to enable local organisations to bid for Council contracts and by building their capacity to respond to formal procurements through local Meet the Buyer and other training events, and through promotion of the Supplier Development Programme.

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

- ❖ Legal compliance
- ❖ Value for money
- ❖ Empowering local suppliers

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.

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.

Empowering Local Suppliers and Delivering Sustainable Procurement

Aims

- We will aim to develop resilient local supply chains, providing clear advice and 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.

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.
- Continue to target savings from all aspects of the strategic procurement process (tender, contract management, P2P).
- Further embed and improve demand management within the contract management process.
- We will continue to develop our contract management framework as we understand that successful contracts depend on good contract management and good contract management depends on good supplier relations.
- We want to build good supplier relationships, including trust, openness, clear communications and common understanding.
- We will focus on how we can support the opening up of the supply chain and provide practical support and guidance to suppliers.

How we will do it

- 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 outcomes 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.
- Assist the Council to meet budget savings targets.
- Positive outcomes (for example, changes in buying behaviour, identifying alternative solutions, improved ordering and invoicing solutions).

Whilst it would not be acceptable to give preference to local businesses during any particular procurement, efforts will continue to be made to ensure that local businesses are given the opportunity to bid for our contracts and to have the greatest chance of being successful in winning Council and other public sector business.

Section 2 - Introduction

- 2.1. This 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.
- 2.2. These reflect both national and local policies and priorities, and includes our approach to the economic recovery plan in response to the COVID-19 Pandemic, Brexit, Suppliers' Fair Working Practices and Ethicality, Sustainability, Climate Change, Corporate Social Responsibility, Small and Medium-sized Enterprises (SMEs), Supported Businesses, and Third Sector organisations.
- 2.3. They recognise the current budget constraints and an increasing demand for goods, services and works.
- 2.4. Procurement is a key strategic driver to enable the business community and the communities we serve to adapt, diversify and flourish despite economic pressures. The present economic landscape has created unique but not insurmountable challenges for the area.
- 2.5. Procurement plays a pivotal role in supporting the Council's strategic plan and will continue as a key enabling strand within the ongoing reform and continuous improvement of the Council.
- 2.6. The Argyll and Bute Council Procurement Strategy 2022/25 relates to our overall procurement 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.
- 2.7. This Procurement Strategy has been prepared in response to the changing procurement agenda and the current financial climate. Previously, the Strategy has been renewed annually. This Strategy sets out the procurement aims and goals of the Council for 2022/25 and will be updated on an annual basis. These aims and goals reflect both national and local policies and priorities. Through adhering to the Procurement Strategy, the Council will manage and mitigate the potential risks associated with public sector procurement. Such risks include the potential for challenge from unsuccessful tenderers, the risk of not achieving best value for Council Services and failing to support the Council's strategic aims.

Argyll and Bute Council recognises the value of existing relationships with suppliers and contractors and seeks to build and strengthen those relationships. Local businesses and the third sector play a valuable role in supporting the work of the local authority. The Strategy aims to help remove the barriers often faced by smaller organisations with limited resources in bidding for work tendered by the Council. The Procurement, Commercial and Contract Management Team (PCCMT) has provided, and will continue to provide, support to local organisations by structuring tender opportunities, wherever possible, to enable local organisations to bid for Council contracts and by building their capacity to respond to formal procurements through local Meet the Buyer and other training events, and through promotion of the Supplier Development Programme.

Section 3 – Procurement Vision & Principles

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 the residents of Argyll and Bute, and externally, to support Argyll and Bute communities; local small and medium enterprises; third sector organisations; social enterprises; supported businesses and micro-enterprises; whilst delivering value for money for the people of Argyll and Bute.

Procurement Principles

These are the basic tenets of how the Council intends to conduct its procurement. Eight procurement principles have been identified as follows:

- 3.1** Procurement should be a viable tool in the promotion of the Council's Goals and Values and in delivering the Aims and Objectives contained within the Corporate Plan and Outcome Improvement Plan.
- 3.2** Procurement will be carried out under the terms of the Council's Standing Orders and will be guided by the detailed procedures for purchasing developed by the Council via the Procurement Manual.
- 3.3** Procurement should be carried out in line with current legislation to deliver competition, sustainability, equal opportunities and ultimately best value for the Council. The process will be transparent and allow accountability.
- 3.4** Best Value will be achieved by obtaining Most Economically Advantageous Tender (MEAT), taking into account whole life costs and non-financial aspects of the purchase. Purchasing will be driven by desired outputs and results, including acceptable health and safety performance.
- 3.5** Suppliers should be able to meet the current and future needs of the Council and in arranging procurement; the needs of the local economy should be taken into account, as permitted by existing legislation and always in pursuit of best value.
- 3.6** Officers managing major contracts should be capable through qualification and experience, or have access to professional guidance, to be able to ensure the sound management and monitoring of contracts. The Council will put in place a training programme for all staff required to undertake procurement duties. Staff completing this programme will become "authorised to procure".
- 3.7** The procurement function should be carried out in an effective but streamlined manner, which delivers added value without duplication of effort.
- 3.8** Where a local or national contract is in place for a commodity this will be used in all but exceptional circumstances.

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.

Following consultation the Scottish Government's Procurement Directorate has developed a set of [seven priorities](#) that we/they believe all public procurement leaders should adopt and aspire to.

Aligned to existing commitments set out in the government's national framework, they 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:

i) Priority: leadership and visibility

High level aims:

- engage and influence organisation leaders and stakeholders
- raise profile with better communications internally and externally
- identify and own escalated issues

Delivery/success statement for all procurement leaders

We will increase the visibility of procurement, reviewing and refreshing our existing engagement with key stakeholders internally and externally, improving our communications and ensuring that all leaders understand their role in driving and enabling impactful procurement. We will identify, mitigate and manage risks and issues acting on the outcomes of the various reviews on the impact of the sustainable procurement duty - including feedback from suppliers. We will actively support cross-sector working.

ii) Priority: sustainable economic recovery

High level aims:

- mainstream sustainable procurement and related tools
- use of intelligent data and local partnerships
- inclusive and responsible supply chains
- understand what good looks like, tracking performance and tackling opportunities to deliver better outcomes

Delivery/success statement for all procurement leaders

We will broaden the impact of the Sustainable Procurement Duty, seeking to deliver wider socio-economic benefits for the communities which we are part of and which are part of our supply chains. This will support responsible procurement practices, including inclusive environmental and economic wellbeing, identifying and pursuing equality outcomes in relevant procurements and embedding Fair Work First principles in more contracts and supply chains. We will continue to maximise opportunities for local and third sector businesses to bid for and win contracts, and support public bodies to maximise their procurement spend locally through the intelligent use of procurement data.

iii) Priority: supply chain resilience (public sector)

High level aims:

- manage business continuity through supply chain shocks (e.g. pandemic, post-EU Exit).
- build/support immediate and longer term resilience in critical supply chains.
- collaborate on opportunities to grow capacity and capability in targeted sustainable supply chains.

Delivery/ success statement for all procurement leaders

We will assess and mitigate key commercial risks associated with geopolitical, societal and health developments (e.g. COVID-19 and EU Exit) to assure supply chains that underpin public services, mitigating and managing risk. We will ensure immediate and longer term resilience is embedded in to critical supply chains and identify opportunities to target, create or grow sustainable supply chains through collaborative working, including implementing targeted guidance on building, growing and maintaining critical supply chains within the rules. We will introduce centrally focussed publicity material for public sector standard specifications to engage manufacturing.

iv) Priority: maximise impact of the sustainable duty (including post EU-exit implications)

High level aims:

- understand and exploit any flexibility within current Rules and our international obligations to support economic recovery.
- explore further options to maximise priority outcomes and financial wellbeing to ensure Scotland maintains its competitive position in the world.

Delivery/ success statement for all procurement leaders

We will assess the coordinated feedback from a range of targeted approaches to test the impact of the sustainable duty. We will assess what's desirable and possible practically, legally and politically, and develop a plan to address the findings as appropriate through targeted leadership, capability, policy, tools, data and effective reporting, and/or other appropriate vehicles.

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

High level aims:

- embed climate considerations in a 'whether', 'what', 'how' and 'how much' we buy approach.
- integrate climate action in contract and supplier management activities.
- seek local leaders, stakeholders and suppliers commitment to developing cross-functional roadmaps that exploit opportunities for economic development while delivering on our climate ambitions.

Delivery/success statement for all procurement leaders

We will mobilise the public sector's c£12.6 billion procurement spend to support our climate change and circular economy obligations. We will take part in an aligned sectoral approach, building on existing networks to secure high-level buy-in, clarify expectations and gain traction on the call to action.

We will identify and mitigate risks, exploiting opportunities and priorities through in-sector and cross-sectoral ways of working. We will develop integrated cross-functional climate impact reduction roadmaps (for example, construction, heat, travel, fleet) that may also exploit opportunities for economic development in delivering our climate ambitions. We will benchmark industry best practice and work collaboratively across the public sector to develop practical approaches and buyer capability to influence a green recovery and wider climate and circular economy ambitions.

vi) Priority: achieving professional excellence (against national policy and standards)

High level aims:

- 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
- ensure that training and professional development continues to be available to the sector during the pandemic and post-pandemic period

Delivery/ success statement for all procurement leaders

We will work with sectoral Centres of Expertise (CoEs) to champion, support and enable the professionalisation agenda including Talent Creation, where we will collaboratively plan, scope and consider next steps on national entry scheme options; and grow, support and enable a diverse Procurement People of Tomorrow (PPoT) community.

We will support professional standards for recruitment and development (aligned to the Competency Framework), improving policy into practice and application, raising and applying a high consistent standard this will include.

As Public Procurement leaders we will work collaboratively to explore people development approaches and tools already in place across sectors; and will co-develop leading people development approaches and programmes that can be utilised on a cross-sector basis. We will continue to support and facilitate, and as individuals undertake the training required by procurement professionals and those spending public money to deliver public value.

vii) Priority: develop our use of systems to exploit sustainable outcomes and support reporting

High level aims:

- embed national and tailored sectoral systems and best practice tools across the Scottish public sector and supply base
- increase the visibility / use of other systems in use across sectors
- develop a strategy to enable the sharing of these systems and tools across sectors to enhance outcomes

Delivery/ success statement for all procurement leaders

We will encourage and support use of collaboratively developed national and sectoral systems and best practice tools to exploit sustainable outcomes, support national reporting and bring benefit across public bodies. CoEs will ensure that there is visibility of system solutions in use or available to use and their strategic development (such as PCS, PCS-T, Procurement Hub and PECOS) and maximise efficiency and effectiveness, where possible, making them available for use across the public sectors. Utilising “shared solutions to shared needs” will be the aim wherever possible, whilst recognising that one size does not fit all and that niche requirements may not be fulfilled by the available systems.

Section 4 – Strategy Rationale & Context

- 4.1** Our principal aim is to ensure the principles of public procurement - transparency, integrity, openness, fairness, non-discrimination, equal treatment, competition and accountability - underpin our procurement activity.
- 4.2** We will also aim to build upon the achievements and benefits derived from the Council's previous corporate procurement strategies which have been ongoing since 2012.

These benefits and achievements include:

- All procurement opportunities are advertised, tendered and awarded electronically.
- All complex procurement exercises are supported by detailed sourcing strategy documents.
- Community benefits are considered for all procurement exercises above £100,000 for goods and services; and £2,000,000 for works.
- Sustainability considerations are included for all regulated procurements.
- If the market allows for it, for goods/services under £50k and works under £2million, SMEs and local suppliers are invited to bid for these contracts.
- Creation of an operating model consisting of a transactional PCCMT that focuses on lower value, less complex procurements and allows our category managers to focus on high value, complex procurements.
- Development of a robust, segmented contract management process

The Council's new Procurement Strategy for 2022/25 takes account of the Annual Procurement Report 2020/21, which detailed the progress that the Council has made since the previous Strategy was published.

This allows us to reflect on the progress made as well as highlighting the opportunities and challenges now facing the Council, and how Procurement can support the organisations overall objectives.

We will continue to generate process efficiencies and real cash savings through rigorous challenge of all our purchasing decisions, continue to work more cohesively and collaboratively with our internal clients and external stakeholders to identify better ways of working. This enhances our focus and considers innovative procurement methodologies to achieve best value outcomes in service areas such as social care.

This Strategy aims to build on the procurement model already in place, with a view to:

- Setting out clear and achievable strategic objectives which support delivery of the Council's wider goals and objectives.
- Making sure we comply with our statutory procurement duties.
- Delivering and demonstrating procurement benefits and real cash savings.
- Making sure we continue to investigate new technology and digital opportunities to improve our procurement methods.
- Continuing to promote sustainability, fair work first practices and the importance of equality and equal treatment through procurement.

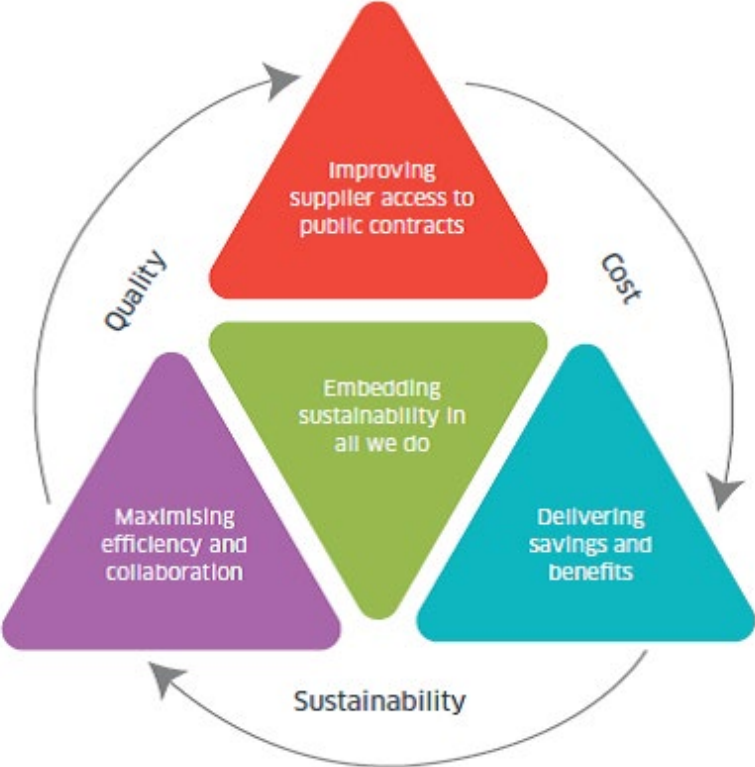
4.3 The Council is mindful that the impact of procurement is far greater than this definition of a 'process' and our vision, objectives and principles as set out in this Strategy illustrate the contribution that effective procurement arrangements can make to wide ranging socio-economic agendas. These include equality and diversity, a successful local economy, a thriving voluntary and third sector, environmental issues and value for money for Argyll and Bute residents.

4.4 Current external impacts on the Council's Procurement Strategy include the outbreak of COVID-19 which is having a significant impact on businesses of all sizes as is the unknown path that Brexit will take as at the time of writing this Strategy. Many suppliers will struggle to meet their contractual obligations and this will put their financial viability, ability to retain staff and their supply chains at risk.

Other impacts are demographic changes within Argyll and Bute, managing expectations of stakeholders within reduced budgets, environmental challenges including upcoming changes in relation to waste management and carbon reduction to meet climate change targets, and the need to ensure our processes are in line with current best practice. This Strategy continues to support the delivery of the Council's Decarbonisation Plan.

4.5 Internal impacts on this Strategy and the Council's PCCMT include the need to take account of the requirements of the Constitution, Corporate Plan and Outcome Improvement Plan, the provision of support to the service departments to meet their budgetary requirements, as well as the support provided to them to deliver transformational change in how they provide their services to the residents of Argyll and Bute.

4.6 The Council will continue to deliver its procurement activities and meet the above opportunities and challenges in line with the Scottish Model of Procurement:



Section 5 – Strategy Aims, Key Priorities & Action

5.1 Our strategic aims

The Strategic Aims of the PCCMT support the overall Argyll and Bute Council Corporate Plan 2018-2022, specifically to support the Council in its mission to deliver our six outcomes and make Argyll and Bute a place people choose to Live, Learn, Work and Do Business:

- Our Economy is diverse and thriving.
- We have an infrastructure that supports sustainable growth.
- Education skills and training maximise opportunities for all.
- Children and young people have the best possible start.
- People live active, healthier and independent lives.
- People will live in safer and stronger communities.

The team recognises the strategic importance of maximising the economic benefits from directing Council spend to local businesses in terms of benefiting the local economy to ensure it is growing, diverse and thriving.

To support delivery of these outcomes, the PCCMT will continue to facilitate participation from local contractors in the procurement process to increase opportunity for local spend, where possible, by:

- a. Considering lotting strategies for all contracts and, where appropriate, dynamic purchasing systems to enable local suppliers the opportunity to access Council contracts. This will be documented in all contract strategies which will be prepared in advance of procuring all regulated contracts;
- b. If the market allows for it, for goods/services under £50k and works under £2million, SMEs and local suppliers will be invited to bid for these contracts.
- c. Simplifying tender documents to ensure the procurement process is proportionate and easy to navigate;
- d. Delivering an effective programme of supplier engagement and events across the region aligned to forthcoming contract opportunities, supporting our local small and medium sized businesses to meet their growth potential;
- e. Using community benefits clauses and approaches to help deliver additional benefits for the communities of Argyll and Bute; and
- f. Promoting the living wage and wider fair work first practices.

Whilst it would not be acceptable to give preference to local businesses during any particular procurement, efforts will continue to be made to ensure that local businesses are given the opportunity to bid for our contracts and to have the greatest chance of being successful in winning Council and other public sector business.

5.2 For all of our procurement activity we aim to build upon the achievements and benefits derived from the Council's previous corporate procurement strategies, with a view to:

- Build capacity and skills within the Council to continue to improve procurement, commissioning and contract management activity;
- Promoting the benefits of early procurement engagement and innovation;
- Making sure we comply with our statutory procurement duties;
- Increasing the level of collaboration both internally, between service areas, and externally with other partner organisations;
- Making sure we continue to adopt a partnership approach between internal and external partners;
- Encouraging more innovative use of community benefits requirements and ensuring that community benefit outcomes have been achieved that deliver for our local communities;
- Engaging proactively with key suppliers through contract and supplier relationship demand management to ensure that we extract maximum value and innovation from our supply base;
- To enhance contract management throughout the Council to increase efficiency and deliver better value for money;
- Focusing our procurement activity on delivering best value improvements for the people and communities in Argyll and Bute;
- Working co-operatively in everything we do to support Small and Medium-sized Enterprises (SMEs) and the third sector organisations. Continue to improve access to public sector contracts, particularly for local SMEs, Supported Businesses, Social Enterprises, Co-operatives and Third Sector;
- Ensuring procurement activity contributes towards the Council's general Equality Duty towards all stakeholders in Argyll and Bute and beyond;
- Continuing to promote sustainability, fair work practices and the importance of equality and equal treatment through procurement;
- Setting out clear and achievable strategic objectives which support delivery of the Council's wider goals and objectives; and
- Making sure we continue to investigate and develop purchase to pay systems to improve our procurement methods.

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.

How we will do it

- Continue to target savings from all aspects of the strategic procurement process (tender, contract management, P2P).
- Further embed and improve demand management within the contract management process.
- Continue to prioritise more procurement time for the development of relevant sourcing strategies to ensure that demand is fully understood (including future requirements) and that market analysis and supplier engagement is undertaken to establish the capabilities of the supply chain.
- Ensure that suppliers provide regular management information on our usage of their contracts and incorporate this information into the contract management process.
- Continue to look for opportunities to collaborate in procurement with our public sector partners and benchmark to ensure that collaborations provide best value.

What will the outcome be?

- Assisting the Council to meet budget savings targets.
- Positive outcomes (for example, changes in buying behaviour, identifying alternative solutions, improved ordering and invoicing solutions).

5.3.3 Empowering Local Suppliers and Delivering Sustainable Procurement

Aims

We will aim to develop resilient local supply chains, providing clear advice and 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.

How we will do it

- We will continue to develop our contract management framework as we understand that successful contracts depend on good contract management and good contract management depends on good supplier relations.
- We want to build good supplier relationships, including trust, openness, clear communications and common understanding.
- We will focus on how we can support the opening up of the supply chain and provide practical support and guidance to suppliers.

- 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.gov.uk.

The PCCMT has developed a [supplier page](#) on the Council's website with useful tips and information as to how to bid for Council contracts.

In addition, the Council's current [contract register](#) is available on the Council website and gives visibility of current contracts and the corresponding end dates.

Any contracts requiring renewal, as well as any new requirements, will be advertised and tendered via the following e-tendering portals:

- Public Contracts Scotland Tender (PCS-T)
Regulated Procurement (Goods/Services >£50,000, Works >£2 million)
- Public Contracts Scotland (PCS)
Quick Quotes (Goods/Services <£50,000, Works <£2 million)

All Quick Quotes undertaken by the Council will include an invitation to at least one SME and, if the market allows, at least one local supplier.

Any company interested in bidding for business with the Council must be registered with Public Contracts Scotland (PCS), and be in a position to submit their responses using these portals.

The strategy objectives and the targeted outcomes will be monitored via an action plan detailed as follows:

Procurement Strategy Action Plan

5.4.1 Legal Compliance

Objectives Aims & Outcomes	Performance Indicators	Actions	Target Date	Owner
<p>Aim:</p> <ul style="list-style-type: none"> ▪ 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. ▪ To adapt to any changes to procurement rules following Brexit. <p>Outcome:</p> <ul style="list-style-type: none"> ▪ Mitigation of the opportunities for procurement challenge. ▪ Procurement activity will comply with all relevant statutory and regulatory requirements. ▪ Procurement staff are confident in their understanding of procurement regulations and other relevant regulations. 	<p>No legal challenge</p>	<p>1.01 Mandatory training for Council officers involved in the procurement process (project leads, specification writers) including highlighting the requirement for project / contract management, excellent communication skills, varying contracts, budget variances and social benefits that procurement must consider (for example, Equality and Fair Work First Practices).</p> <p>1.02 Ongoing training for procurement staff on changes to legislation and regulations.</p> <p>1.03 Adapt our internal procedures, processes and documentation, where required, to reflect any new legislative requirements.</p>	<p>July 2022</p> <p>Ongoing</p> <p>Ongoing</p>	<p>SMT</p> <p>PCCMT Manager</p> <p>PCCMT Manager</p>

5.4.2 Value for Money

Objectives Aims & Outcomes	Performance Indicators	Actions	Target Date	Owner
<p>Aim:</p> <ul style="list-style-type: none"> ▪ To support the Council in achieving budget savings targets. <p>Outcome:</p> <ul style="list-style-type: none"> ▪ Assisting the Council to meet budget savings targets. ▪ Positive outcomes (ie: changes in buying behaviour, identifying alternative solutions, improved ordering and invoicing solutions). ▪ 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. 	<p>Savings for budget holders.</p> <p>Reduced expenditure.</p>	<p>2.01 Continue to target savings from all aspects of the strategic procurement process (tender, contract and demand management, P2P).</p> <p>2.02 Further embed and improve contract and demand management within the client's service areas.</p> <p>2.03 Continue to prioritise more procurement time for the operational development of appropriate sourcing strategies to ensure that demand is fully understood (including future requirements) and that market analysis and supplier engagement is undertaken to establish the capabilities of the supply chain.</p> <p>2.04 Ensure that suppliers provide regular management information on our usage of their contracts and incorporate this information into the contract management process.</p> <p>2.05 Continue to look for opportunities to collaborate in procurement with our public sector partners and benchmark to ensure that collaborations provide best value.</p>	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p>	<p>PCCMT</p> <p>PCCMT</p> <p>PCCMT</p> <p>PCCMT/ SMT</p> <p>PCCMT</p>

5.4.3 Empowering Local Suppliers and delivering sustainable procurement

Objectives Aims & Outcomes	Performance Indicators	Actions	Target Date	Owner
<p>Aim:</p> <ul style="list-style-type: none"> ▪ 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. ▪ 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. ▪ To be compliant with the Procurement Reform (Scotland) Act 2014 and general other duties contained therein, including the Sustainable Procurement Duty. <p>Outcome:</p> <ul style="list-style-type: none"> ▪ Increased opportunities for local businesses, co-operatives, Supported Businesses and Third Sector organisations. ▪ To secure wider social, economic and environmental benefits for the local area and ensure those benefits are realised. 	<p>Procurement spend with contracted suppliers (%)</p> <p>Contracts awarded to SMEs (% of contracts awarded)</p> <p>Local suppliers bidding for business with the Council (% of bids received)</p> <p>Tenders won by a local supplier where a local supplier has placed a bid (%)</p> <p>Invoices paid within 30 days (%)</p>	<p>Training and awareness sessions for internal client departments on sustainable procurement with an emphasis on the application of circular economy, whole life costing and life cycle impact mapping.</p> <p>Further optimise the community benefits process by working more closely with relevant internal stakeholders (community planning, Benefits Steering, employability team) and placing a greater emphasis on ensuring outcomes are delivered and benefits for Argyll and Bute residents are realised.</p>	<p>Ongoing</p> <p>Ongoing</p>	<p>PCCMT Manager</p>

5.4.3 Empowering Local Suppliers and delivering sustainable procurement/contd

Objectives Aims & Outcomes	Performance Indicators	Actions	Target Date	Owner
<p>Outcomes (continued)</p> <ul style="list-style-type: none"> ▪ 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. 				PCCMT

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	<p>The successful delivery of this Strategy.</p> <ul style="list-style-type: none"> ○ The application of procurement best practice and undertaking key strategic procurement activities. ○ Early market engagement. ○ By including appropriate lots to promote SME/Third Sector and local supplier participation. ○ Maximising the impact of each pound spent by including Community Benefit Clauses. ○ Evaluating on the most economic and advantageous criteria. ○ Utilisation of output specifications. ○ Challenging the need and demand management. ○ Robust contract management. ○ Application of effective commercial evaluation models.
2	Be undertaken in compliance with its duty to act in a transparent and proportionate manner	B	<p>The Council's Standing Orders Relating to Contracts and Procurements apply to all contracts made by or on behalf of the Council for the delivery of works, the supply of goods and materials and the provision of services.</p> <ul style="list-style-type: none"> ○ All procurement activity undertaken must comply with the above process and procedures which secures compliance with the Act and Statutory Guidance. ○ In addition to the above, the Council engages fully with the Supplier Development Programme (SDP), to understand their organisational needs and share the Council's procurement work plan.

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

#	Priority	Activities	
3	The provision of prompt payment – no later than 30 days after invoice by the organisation to a supplier and/or sub-contractor, or by a sub-contractor to a sub-contractor.	A	We will aim to meet the target of 95.5% per quarter of invoices paid within 30 days during 2022/25.
		B	Prompt payment clauses requiring a 30 day payment term are embedded within our contractual terms and conditions. Suppliers are required to apply the same terms and conditions with their sub-contractors who are delivering and supporting the Council contract.
4	Contribute to the carrying out of its functions and the achievement of its purposes.	A	<p>The delivery of this strategy will ensure procurement is delivered in a compliant, effective and efficient manner, provide a clear action plan for improvement and contribute to wider Council objectives and priorities.</p> <p>By making sure there is early engagement and clear communication channels between the Service Departments and procurement we will assist in achieving best value.</p> <p>This Strategy will be monitored and reported as per the Monitoring, Reviewing and Reporting on the Strategy section of this strategy document, to make sure the key objectives are delivered and best value is secured.</p>
5	Payment of a living wage - to persons involved in producing, providing or constructing the subject matter of regulated procurements	A	Consideration will be given at the initial stages of individual regulated procurements to whether it is relevant to address living wage and fair work practices (Ongoing)
		B	Payment of the Living Wage will be monitored by contract management activity in relevant regulated contracts.
6	Be undertaken in compliance with its duty to act in a transparent and proportionate manner	A	PINs will be published on PCS for all appropriate regulated procurements in 2022/25.
		B	Consideration will be given within the initial CSSs to lotting all regulated contracts in 2022/25. (Ongoing)
		C	We will offer alternative language formats when requested. (Ongoing)

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	Complying with the Council's Sustainable 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	<p>Any regulated catering contracts carried out in 2022/25 will consider the following national guidance throughout the procurement process: 'Better Eating, Better Learning'; 'Beyond the School Gate'; 'Soil Association Food for Life Catering Mark'; 'Catering for Change: Buying Food Sustainably in the Public Sector'; and 'Becoming a Good Food Nation'. (Ongoing)</p> <p>The Council will continue to look for opportunities to include local and sustainable food wherever possible in schools, facilities, venues and to meet social care requirements.</p> <ul style="list-style-type: none"> ○ The Council is committed to including health and wellbeing and animal welfare procurement requirements that promote the health, wellbeing and education of communities. ○ Procurement requirements relating to Food procurement focus on nutritional quality, health and wellbeing, minimising environmental impact such as packaging and sourcing as well as the application of appropriate animal welfare standards in accordance with all relevant legislation.

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

#	Priority	Activities	
10	Food procurement	A	<ul style="list-style-type: none"> o The Council will ensure that procurement requirements relating to Fairly and Ethically Traded Goods and Services are applied in a relevant, proportionate and legally compliant manner.
11	Consulting and engaging with those affected by its procurements.	A	Consultations with relevant stakeholder groups will be carried out at the CSS stage of regulated procurements in 2022/25, where relevant and proportionate. (Ongoing)
12	Comply with the sustainable procurement duty.	A	<p>Consideration of Sustainability issues – Social, Environmental and Economic – will be embedded throughout the procurement process for regulated procurements in 2022/25. (Ongoing)</p> <p>Compliance with the Sustainable Procurement Duty.</p> <p>Secured and realised sustainable benefits.</p> <p>Staff involved in the procurement process understand and positively contribute to achieving sustainable outcomes.</p> <p>The Council is reassured that suppliers adhere to the principles of a Fair Work First Practice organisation.</p>
		B	Inclusion of a mandatory sub-contracting clause in regulated procurements where relevant and proportionate. (Ongoing)
		C	Promote sub-contracting opportunities to SMEs through promoting the use of PCS on the Council's website.
		D	Share knowledge and participate in events aimed specifically at local SMEs and third sector bodies, and Scottish suppliers, for example, by publicising Supplier Development Programme events and providing assistance with the tender process through Business Gateway.
		E	Review existing method of engaging with local supply base and engage with Communications Team and Business Gateway to target a wider audience of potential new suppliers, with the aim of increasing the number of new suppliers on our quick quote distribution list.

- 5.6** Key Performance Indicators by which we will measure the success of the Action Plan are detailed in Section 7.
- 5.7** The Council's current Contract Plan can be found [here](#).

Section 6 – Procurement Strategy by Category

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 2020/21) 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	21948	£20.36m	286	£927.74	90.43%
Uncontracted	2833	£2.15m	307	£760.64	9.57%

A combination of the followings actions will be in our strategy to address this:

- To continue to support all services to source and purchase goods and services from national and CAT C contracts where possible.
- To continue to increase the remit of the Transactional Purchasing Team (TPT) and grow the team’s procurement knowledge and skills to aid services in ensuring best value is achieved for all low value spend.
- To continuously review the eProcurement System (PECOS) to ensure catalogues and suppliers are up to date and available for use by both the TPT and service end users.

Continue to review the system setup of PECOS, test new functionality as it becomes available/resource allows and implement to improve user experience where possible.

- To continue to work with all services to implement the No PO No Payment; eventually resulting in the stopping of all relevant manual batched payments and providing the PCCMT access to line item detail of all supplier spend.
- Continue to support Education Services with all procurement activity via their newly established Education Purchasing Team to increase Education's volume of spend under contract.

Short/Medium Term Strategy

The short-term strategy for the procurement of goods and services within Corporate & Education over the next 2-3 years is:

- **Transactional Purchasing Team (TPT):** Continue to increase the volume of uncontacted spend directed to the TPT for sourcing. Increase volume of Invitation to Quotes (ITQs) processed and awarded via TPT. Complete the roll out of requesting corporate purchases and travel and accommodation requests via PECOS and stop all emailed requests.
- **National Contracts:** As new national contracts become available, assess suitability and carry out Best Value review. If deemed appropriate, roll out to relevant users and on PECOS.
- **PECOS:** Promote the use of CAT C and collaborative contracts to achieve best value via the PECOS Noticeboard and email communications to both TPT staff and PECOS end users.
- **Contract Management:** Continue to undertake contract and supplier management meetings with key suppliers.
- **Catering Contracts:** continue to assess the suitability of Scotland Excel frameworks in order to ensure best value is achieved, along with other priority aims outlined in this guidance such as:
 - Work proactively to identify and support local food and drink suppliers to access the public sector market in Argyll and Bute.
 - Explore opportunities to introduce dynamic procurement opportunities for food and drink where appropriate.
- **Cleaning Contracts:** Continue to utilise Scotland Excel frameworks in order to achieve best value and process efficiency.
- **ICT:** Continue to use available frameworks and procurement services as required.
- **Corporate:** Continue to utilise Scotland Excel and Scottish Procurement frameworks in order to achieve best value and process efficiency. Continue to work with the services to implement CAT C contracts as appropriate.

- **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 criteria's for all regulated tenders.
- **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 Community Wealth-building bill and the extension of universal free school meals. Explore opportunities for increasing the provision of organic or agro ecologically sourced food and drink across all food and drink contracts.
- **ICT:** Annually review overarching ICT Category Strategy.
- **Corporate:** Develop an overarching Corporate Category Strategy. Expand the contract and supplier management process.
- **Transport:** Annually review the Passenger Transport Category Strategy. Expand the contract and supplier management process. Explore options to expand demand responsive transport services across different areas of Argyll and Bute.

CONSTRUCTION & ENVIRONMENT

Scope/Key Spend Areas

The Construction & Environment Category consists of the following areas:

- Construction Consultancy
- Construction Supplies
- Building Works & Services
- Infrastructure Works & Services
- Environment

An analysis of the existing spend profile within the Construction & Environment Category has identified a number of priority areas of focus. These key areas include:

- Procurement of all goods and low value services (up to £20,000) within Roads and Infrastructure Services routed through the Construction Purchasing Team via dandipurchasing@argyll-bute.gov.uk. Using PECOS the team promote the use of local and collaborative contracts across the service to achieve maximum savings. In addition, the team will also source non contracted items to achieve best value.
- Major Projects – Procurement and contract management support will be provided to ongoing and upcoming projects, including the Helensburgh Waterfront Development project and the Rothesay Pavilion Regeneration project.
- Statutory Maintenance Contracts – Providing procurement support for ongoing and upcoming term contract requirements.
- Rural Growth Deal (construction and infrastructure related themes).

Short/Medium Term Strategy

The short term strategy for the procurement of works, goods and services within Construction & Environment over the next 2-3 years is:

- Continue to put in place framework agreements to cover core areas of spend, including Marine Operations;
- Continue to ensure adequate resource to support Major Projects programme procurement;
- Increase volume of Quick Quotes raised via Construction Purchasing Team for the purposes of operation efficiency and achievement of savings;
- Roll out of process for Corporate purchases and travel and accommodation requests via PECOS to Development & Infrastructure Services;
- Replace the Vendor Rating System for Building Works Quick Quotes with a Dynamic Purchasing System to further support SMEs and local contractors in accessing opportunities;

- Provide support to the HSCP and Council teams with the development of the Place Based Review in Dunoon and Rothesay;
- Introduce Fair Work Practices evaluation criteria into Construction & Environment tenders in line with the Council's new standard approach across all contracts;
- **Statutory Maintenance Term Contracts:** The PCCMT is currently working with Property Services to introduce new Term Contracts to cover the Council's statutory requirements in relation to buildings maintenance. This is an ongoing process with separate unique contracts and specialist suppliers involved. Collaborative frameworks will be utilised where possible;
- **Consultancy Services:** In addition to the consultancy services provided via the Scotland Excel frameworks, there are requirements to provide more economical services suited to the Council's requirements – where possible, these should be created using methods to encourage local SMEs to submit tenders. New or revised frameworks could include Ecologists, QS services, Architectural, Civil/Structural, etc. i.e. all Design Services, even where that service is available in-house (to provide support where there are capacity issues).

Longer Term Strategy

The longer term strategy for the procurement of works, goods and services within Construction & Environment over the next 3-5 years includes:

- With regards to Waste Management, changes in legislation will bring new requirements for the Council (construction of new processing, sorting facilities on the Islands, covering landfill sites, etc) to be confirmed by the Service;
- Assist Services in increasing their commercial awareness in terms of opportunities on Public Contracts Scotland, subject to availability of adequate resource in the service;
- Provide procurement support to assist the Property Services team with increasing levels of contracted statutory maintenance spend from the current levels.

CARE, EARLY YEARS & HOUSING

Scope/Key Spend Areas

The Care & Housing Category consists of the following areas:

- Adult Services
- Children's Service
- Housing & Homelessness Services
- Early Years
- 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 [Feeley Review](#) in informing the procurement of future Service Provision.

The JSCP will include the following broad aims:

- ensure we deliver the best services available with the resources which we have;
- 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;
- provide our communities with more information regarding the cost, availability and quality of services to help them to make informed choices to meet their health and social care needs;
- Describe what we think future demand in health and social care might look like within Argyll and Bute and in each locality. This includes describing how we think our services should change in future to meet the needs and expectations of our communities, national strategies and demographic change.

In meeting these aims and implementing the principles of the Feeley Review, the function of procurement and commissioning may look different. We anticipate a greater focus on equal partnership, community involvement (including supported people) and use of models that support co-production, for example [Public Social Partnerships](#) and [Alliance Contracting](#).

While we can't predict what new services will look like, we can expect that the following will be key areas of focus:

➤ **Care at Home and Supported Living Services**

Local contracts for Care at Home Services to older people and Supported Living Services to adults with support needs related to learning disability are in place to 31st March 2022, with the option to extend for 1 further year.

The HSCP is in the early stages of developing a Care at Home Strategy for Older People; and reviewing the provision of services aimed at other adults, with a particular focus on ensuring contracted support for those with mental health needs. This work will inform models of support including a procurement process that is proportionate and in keeping with the Feely Review.

Scotland Excel have developed a national contract for delivery of these services. Argyll and Bute Council (on behalf of the IJB) were involved in the development of this contract and are named on the contract, however, are not using it at this stage. This will be considered as part of future sourcing strategy.

➤ **Older People's Care Homes**

Work continues by Scotland Excel at a national level on the development of a new National Care Home Contract and it is our intention to continue using this. However, we must be aware of the continuing risk that negotiations will fail. In that instance, Argyll and Bute HSCP would require locally negotiated contracts and/or collaborative arrangements with other partnerships.

➤ **Carers Support Services**

Contracts are in place with key partners for the delivery of services to support the implementation of the 'Caring Together, Argyll and Bute Carers' Strategy and Implementation Plan 2018-2023'. These contracts come to an end in April 2022, with the option for a 1 year extension to April 2023. The future commissioning of these services will be influenced by the strategic direction set out by the JSCP and informed more specifically by consultation, local needs and community assets.

➤ **Adult and Children/Young People's Residential Placements (outside Argyll and Bute)**

The HSCP is continuing to work towards keeping more young people in Argyll and Bute. This may result in some related procurement activity in the term of this Strategy.

➤ **Aids and Adaptations**

A collaborative contract for supply, delivery and maintenance of disability equipment to people living at home is available for use by HSCPs across Scotland. Argyll and Bute HSCP opted out of the current contract but work on the new contract is expected to commence in 2021, and PCCMT would recommend that the HSCP sign up to it or develop a sourcing strategy for a bespoke contract.

➤ **Technology Enabled Care (TEC)**

While this area is not captured as a key focus in recent spend analysis, a major design change (analogue to digital) will result in a future procurement process. In addition, the general profile of TEC is increasing and this may be reflected in spend and procurement activity over the period of this Strategy.

Outside of the HSCP, the following will be key areas of focus:

➤ **Early Learning and Childcare Services**

Contracts are in place for the Scottish Government's policy of delivering 1140 hours of funded childcare to eligible children, this contract is in place to August 2023. The focus is now on ensuring sustainable provision and the agreement of a rate that will reflect national policy priorities and enable payment of the real Living Wage to all workers delivering the funded requirement.

➤ **Housing**

New contracts are in place/soon to be in place for Tenancy Support Services and Serviced Accommodation for people that are homeless or identified as being at risk of homelessness. The focus during the term of the Strategy will be on contract management. The Housing Service are involved in the development of the HSCPs JSCP and will be a key partner in the design and commissioning of future models of care.

Short/Medium Term Strategy

The short term strategy for the procurement of goods and services within the Care & Housing Category over the next 2-3 years is:

Specific Procurements:

- The Council's continued participation in the National Care Home contract is expected and recommended. Scotland Excel are now actively involved in the negotiation process with COSLA and have successfully negotiated the contract for the year 2021/22. It is expected that from 2022/23 a longer term arrangement will be negotiated. The risk of failure of negotiations must continue to be monitored.
- Scotland Excel have contracts in place for Fostering, Care Homes for Adults with Learning Disabilities and Children's Residential Services – continued use of these is expected.
- PCCMT will be involved in the development of the JSCP and the strategic planning work underway for Adult Services, in particular, Care at Home and Supported Living Services. This work will inform the sourcing strategy for the future procurement of these services, including consideration of any Scotland Excel or other collaborative contracts.
- As stated above, Carer Support Service contract will come to an end April 2023, at the latest. Work will therefore commence shortly on the planning/development of a commissioning process for future service provision.
- TEC – The profile of Technology Enabled Care (with the move from analogue to digital) is increasing, PCCMT will monitor this through attendance at the TEC steering group.

General Activity:

- 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.
- 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 appropriate, under the Public Contract (Scotland) Regulations 2015. The LTR allows consideration of wider factors when sourcing Health, Social Care and Education services and legitimises their influence in decision making. These wider factors allow procurement activity to take account of the strategic vision of the HSCP, for example, in relation to sustainability; improved outcomes; continuity; choice and affordability.
- To procure in a way that is in line with and sensitive to the expected national direction from the Scottish Government and the Feeley Review.
- While we await more information on the implementation of the Feely Review, we will continue to support customers in making best use of the procurement options available, ensuring that sourcing strategies balance the desire for longer term contracts; partnership working and co-production with procurement related risks.
- To ensure that Fair Work First criteria is implemented in all procurements and reflected in Contract Management activity in line with the guidance in [SPPN 3/2021](#)
- PCCMT will be involved in the remobilisation (or redesign) of services that have changed in response of COVID-19 to ensure that the HSCP have an awareness of any procurement requirements and contract implications.
- To continue to undertake contract and supplier management activity with key suppliers.
- To improve communication with customers by developing and promoting guidance and reports in relation to procurement and contract management activity.
- To provide general advice to the HSCP in relation to their management and review of Service Level Agreements (SLAs) to help achieve best value.
- To have a greater focus on Community Benefits as part of contract management to ensure that more of the provider's efforts are captured and formally recorded.
- To continue to review the terms and conditions for care services.
- To work with colleagues in the HSCP to ensure that contracts are in place to maximise the Self-Directed Support (SDS) options as far as possible and to support the HSCP in balancing the risks of choice and control against best value (including procurement regulations).
- To ensure that suppliers providing services to vulnerable clients manage their health and safety risks appropriately. This will be achieved via proportionate and relevant checks pre-contract award and as part of contract management.
- To continue to work with customers and involve and guide them in the Contract and Supplier Management process to ensure maximum benefits are realised from the contract.

Longer Term Strategy

The longer term strategy for the procurement of goods and services within the Care & 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. flexible frameworks.
- Continue to provide procurement support advice and assistance to the relevant customers, in order to ensure that they are receiving best value quality services from its suppliers, delivered safely and without unacceptable risks to health.
- Through appropriate and proportionate procurement and contract management activity, we will contribute to the achievement of our customers' strategic vision.

Section 7 - Financial Analysis & KPI's

- 7.1 The Council's total procurement spend in 2020/21 on supplies, services and works was £140.33 million, this is broken down by Category in the table below.

Table 1: Procurement Spend by Category for 2020/21

Category	Total Spend 2020/21
Construction & Environment	£63.81m
Corporate & Education	£22.52m
Care & Housing	£54.00m
Total	£140.33m

- 7.2 The following table shows the Council's spend in more detail by vCode Business Sector, a classification system appended by the Scottish Procurement Information Hub.

Table 2: Procurement Spend by vCode Business Sector for 2020/21

vCode Business Sector	Total Spend 2020/21
Social Care & Services	£46.58m
Construction	£24.56m
Facilities Management	£17.62m
Waste & Environmental Services	£10.37m
Travel & Accommodation	£6.96m
Other Goods & Services	£6.71m
ICT	£4.17m
Vehicles	£3.49m
Utilities & Energy	£3.16m
Healthcare	£2.85m
Financial Services	£2.81m
Transport	£2.48m
Education	£1.23m
Human Resources	£1.17m
Food, Beverage & Catering	£1.03m
Public Sector Bodies	£0.86m
Business Support Services	£0.71m
Data Not Available	£0.56m
Security Equipment & Services	£0.53m
Animals & Farming	£0.45m
Arts, Sport & Leisure	£0.43m
Legal	£0.34m

Table 2: Procurement Spend by vCode Business Sector for 2020/21/contd

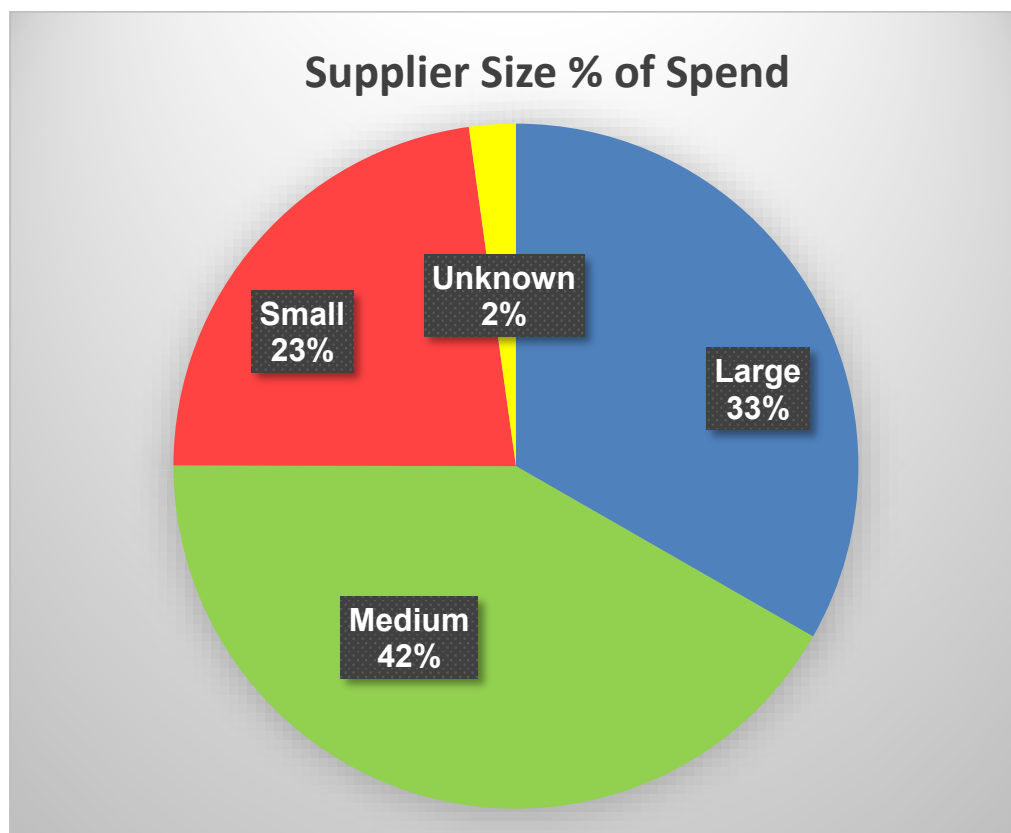
vCode Business Sector	Total Spend 2020/21
Professional Services	£0.33m
Retail & Wholesale	£0.31m
Marketing & Media	£0.21m
Manufacturing & Machinery	£0.15m
Stationery & Office Products	£0.10m
Clothing	£0.06m
Laboratory	£0.04m
Personal Care	£0.04m
Charitable & Religious Activity	£0.02m
Total	£140.33m

- 7.3** The top 20 suppliers to the Council account for 46.0% of the procurement spend. The following table shows the top suppliers and spend for the year 2020/21.

Table 3: Spend with Top 20 suppliers in 2020/21

Supplier Name	Total Spend 2020/21
ABC Schools Ltd	£14.07m
Renewi Argyll and Bute Ltd	£6.85m
Heron Bros Ltd	£6.27m
Hub North Scotland Ltd	£5.94m
West Coast Motor Services Co.	£4.86m
Carr-Gomm Society Ltd	£4.52m
Enable	£4.42m
Hillhouse Quarry Company Ltd	£1.94m
Carers Direct Ltd	£1.84m
Affinity Trust	£1.71m
HC One Ltd	£1.60m
DCF Joiners & Building Services Ltd	£1.50m
Key Housing Association Ltd	£1.38m
Barr Environmental Ltd	£1.38m
Mckenzie Care Homes Ltd	£1.34m
BCA Insulation	£1.08m
Argyle Lodge	£1.06m
Aspire Scotland Ltd	£0.97m
Zurich Insurance Company	£0.93m
Mears Care	£0.93m
Total Spend with Top 20 Suppliers	£64.59m

7.4 In 2020/21, spend with SMEs accounted for 65% of procurement spend (where supplier size could be determined). The chart below shows the breakdown of spend with Small, Medium and Large companies for 2020/21.



7.5 Key Performance Indicators:

Key Performance Indicators	Provisional 2022/23 Target
Procurement spend with contracted suppliers (%)	90%
Contracts awarded to SMEs (% of contracts awarded)	76%
Local suppliers bidding for business with the Council (% of bids received)	20%
Tenders won by a local supplier where a local supplier has placed a bid (%)	20%
Invoices paid within 30 days (%)	95.5%

Section 8 - Implementation, Reviewing and Reporting

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 to ensure that our approach and strategy takes account of stakeholders' views and that stakeholders have the opportunity to engage and contribute to the development of the Strategy. This will allow us to gain a better understanding of the needs of Argyll and Bute and to tailor our Strategy to reflect those needs.

The key stakeholder groups identified for inclusion in this consultation are:

- Argyll and Bute Council Employees
- Argyll and Bute Councillors
- MP and Local MSPs
- Key Suppliers
- Community Planning Partners
- Other interested parties
- The general public

The full details of our consultation are included within a report to the Council's Procurement Board; this covers what will be involved in the consultation, and the inclusion of feedback to the final Strategy.

8.1.2 Approval of Strategy

The Procurement Strategy will be approved in line with the Council's standard process. After the consultation is complete, the draft Strategy will be finalised and sent for approval by the Departmental Management Team, the Strategic Management Team and the Policy and Resources Committee.

8.1.3 Publication of Strategy

The Council will publish this Procurement Strategy on our website, and will notify Scottish Ministers of the publication of our Strategy.

8.2 REVIEWING

The Council will review this Procurement Strategy annually. This will help to ensure that we maintain alignment of our procurement activity with our broader priorities and will allow us to revise our Strategy where necessary.

8.3 REPORTING

The Council will, as soon as reasonably practicable following the end of the financial year, prepare an Annual Procurement Report which will include:

A summary of all regulated procurements completed in the year.

- A review of whether these procurements complied with this Procurement Strategy.
- A statement detailing how it is intended that future compliance will be achieved where any procurements were found not to have been carried out in accordance with this Procurement Strategy.
- A summary of any community benefit requirements imposed as part of a regulated procurement that was completed during the year.
- A summary of steps taken to facilitate the involvement of supported businesses in regulated procurements completed during the year.
- A summary of anticipated regulated procurements expected to commence in the next two financial years.
- Anticipated future procurements.
- Any other information as specified by the Scottish Ministers.

Section 9 - Policies, Tools & Procedures

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 \(SPPN 1/2016\)](#)
- [Public Contracts Scotland](#)
- [Public Contracts Scotland Tender](#)
- [Scottish Model of Procurement](#)
- [Scottish Procurement Information Hub](#)
- [Scottish Sustainable Procurement Duty](#)
- [Workforce Matters \(SPPN 1/2015\)](#)

Local Policies:

- [Community Benefits Clauses in Procurement Guide](#)
- [Council Constitution](#)
- [Economic Strategy 2019-2023](#)
- [Equality and Diversity Policy](#)
- [Health and Safety Policy](#)
- [Sustainable Procurement Policy 2021/22](#)

Section 10 - Glossary

Term	Description
Annual Procurement Report	The Procurement Reform (Scotland) Act 2014 requires all contracting authorities obliged to publish a Procurement Strategy, to publish an Annual Procurement Report on its regulated procurement activities as soon as reasonably practicable after the end of its financial year.
Award	A decision to accept a tenderer's offer to supply/provide specified goods/services/works according to agreed terms and conditions, thereby creating a legally binding contract.
Best Value	The duty under the Local Government Act in Scotland 2003 to secure continuous improvement in the economy, efficiency and effectiveness with which they exercise their functions.
BPIs	Best Practice Indicators - A common, core set of National Procurement Best Practice Indicators (BPIs) were developed by the Scottish Government and designed to be applicable and useful to PCCMTs in all parts of the public sector in Scotland.
Brexit	An abbreviation for "British exit," referring to the UK's decision in a June 23, 2016 referendum to leave the European Union (EU).
CARR	Contract Award Recommendation Report
CAT C	At a national procurement level, Category C are local contracts for use by individual public bodies.
Category	A collection of commodities or services sourced from the same or similar supply base, which meet a similar consumer need, or which are inter-related or substitutable.
Category Management	Procurement approach used within Argyll and Bute Council to manage categories of spend to increase efficiencies and expertise.
CDM Regulations	Construction (Design and Management) Regulations 2015
Collaboration	Cooperative joint working with another public sector organisation.
Commodity Sourcing Strategy	A document that shows the preparatory thinking that is done about a procurement process, including sustainability considerations, stakeholders to be involved, risks etc.
Community Benefits Clauses	Community Benefits Clauses provide a means of achieving sustainability in public contracts.
Contract Award Notice	A notice published on Public Contracts Scotland that a previously advertised opportunity has been awarded.

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, or to be pre-qualified.
Contractor	The provider of any supplies, services or works under contract. Or, in the context of works, at any stage of the process.
COSLA	Convention of Scottish Local Authorities - a Councillor-led, cross-party organisation who champion Councils' work to secure the resources and powers they need. They work on Councils' behalf to focus on the challenges and opportunities they face, and to engage positively with governments and others on policy, funding and legislation.
CSS	Commodity Sourcing Strategy - A document that shows the preparatory thinking that is done about a procurement process, including sustainability considerations, stakeholders to be involved, risks etc.
Demand Management	To take costs out of an organisation by addressing the drivers for spend, aligning spend to business need and eliminating unnecessary consumption.
DMT	Departmental Management Team within Argyll and Bute Council
DPS	Dynamic Purchasing System - Electronic system that can be established to purchase goods and services, similar to a framework agreement, but where new suppliers can join at any time.
Equality Duty	Compliance with the terms of the Equality Act 2010 and any guidance provided by the Scottish Ministers for local authorities to comply with the Public Sector Equality Duties.
Fair Work First	Fair Work First is the Scottish Government's flagship policy for driving high quality and fair work across the labour market in Scotland by applying fair work criteria to grants, other funding and contracts being awarded by and across the public sector, where it is relevant to do so.
Framework Agreements	An agreement or other arrangement between one or more contracting authorities and one or more economic operators which establishes the terms (in particular, the terms as to price and, where appropriate, quantity) under which the economic operator will enter into one or more contracts with a contracting authority in the period during which the framework agreement applies.

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 Performance Indicators. Measurable value that demonstrates how effectively the Council is carrying out procurements.
LTR	Light Touch Regime - Reference to the process for the award of a public contract for social and other specific services.
MEAT	Most Economically Advantageous Tender - Taking account of criteria that reflect qualitative, technical and sustainable aspects of the tender submission as well as price when reaching an award decision.
NEC	New Engineering Contract - is a formalised system created by the UK Institution of Civil Engineers that guides the drafting of documents on civil engineering and construction projects for the purpose of obtaining tenders, awarding and administering contracts.
Notice	Advert
PCCMT	Procurement, Commercial and Contract Management Team within Argyll and Bute Council
PCIP	Procurement Commercial Improvement Programme Assessment Annual assessment of public sector organisations that focuses on the policies and procedures driving procurement performance and the results they deliver.
PCS	Public Contracts Scotland - The national advertising portal used to advertise all Scottish Government goods, services or works contract opportunities.
PCS-T	Public Contracts Scotland-Tender - The national eTendering system.
PECOS	Professional Electronic Commerce Online System – cloud based purchase to pay system used by Argyll and Bute Council.
PIN	Prior Information Notice - Early notices on PCS to advise of the intention to advertise later.
Procurement Exercise	Full end to end procurement exercise documentation from strategy development to contract and supplier management.

Term	Description
Procurement Function	The business management function that ensures identification, sourcing, access and management of the external resources that an organisation needs or may need to fulfil its strategic objectives.
Procurement Journey	Revised public procurement toolkit with guidance and templates on the procurement process or Construction manual when appropriate. The Procurement Journey will be enhanced on an ongoing basis with feedback from users and any other identified good practice guidance and tools, where appropriate, to ensure a standardised approach to the supply base.
Procurement Manual	Internal Argyll and Bute Council operational procurement guide.
Procurement Strategy	The Procurement Reform (Scotland) Act 2014 requires contracting authorities with significant procurement expenditure in the next financial year to publish a procurement strategy setting out how they intend to carry out regulated procurements, or review the current strategy and make appropriate revisions.
P2P	Purchase to Pay Process - Entire supply chain process, from goods receipt to payment process.
Quick Quote	Procurement method for lower value tenders, where the Invitation to Quote/Invitation to Tender is sent to a set distribution list of suppliers rather than being publically advertised.
SBCC	Scottish Building Contract Committee – organisation to produce building contracts designed to meet the needs of the construction industry in Scotland.
Scotland Excel	Scotland Excel is the Centre of Procurement Expertise for Scotland's local government sector.
Scottish Procurement	Directorate within the Scottish Government, carrying out procurements on behalf of the Scottish public sector.
SDS	Self-Directed Support
Services/ Supplies/ Works	<p>A public service contract is a contract having as its object the provision of services.</p> <p>A public supply contract is a contract having as its object the purchase, lease, rental or hire purchase with or without an option to buy, of products.</p> <p>A public works contract is a contract having as its object a building or civil engineering project or piece of work.</p>
SLA	Service Level Agreement – A commitment between a service provider and a client.

Term	Description
SMEs	Small and Medium Enterprises - The category of micro, small and medium-sized enterprises (SMEs) is made up of enterprises which employ fewer than 250 persons and which have an annual turnover not exceeding 50 million euro and/or an annual balance sheet total not exceeding 43 million euro.
SMT	Strategic Management Team within Argyll and Bute Council
Social Enterprises	Businesses whose primary objectives are social or “more than profit”.
SOCO	Serious and Organised Crime Organisations
Specifications	The part of the invitation to quote or invitation to tender which details the nature and quality of the goods, services or works.
Stakeholder	Any person or group who has a vested interest in the success of the procurement activity, i.e. either provides services to it, or receives services from it.
Standing Orders	The set of rules governing the procurement and financial regulations with which the Council must comply, in terms of the Local Government Scotland Act 1973.
Supplier	An entity who supplies goods or services
Supplier Development Programme	A business support initiative using training and information to improve the competitiveness of local businesses.
Supply Chain	All activities, resources, products etc. involved in creating and moving a product or service from the supplier to the procurer.
Supported Business	A supported business’ primary aim is the social and professional integration of disabled or disadvantaged persons. At least 30 per cent of the employees of those businesses should be disabled or disadvantaged.
Sustainability	In relation to procurement, sustainability involves understanding the potential environmental, social and economic impacts that are a result of purchasing decisions.
Tender	An offer, or bid, by a tenderer in response to an invitation to tender (ITT) or a mini-tender in a framework agreement.
Third Sector	The third sector includes charities, social enterprises and voluntary groups; delivers essential services, helps to improve people's wellbeing and contributes to economic growth.

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 and 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 Council's Services and suppliers to develop contracts and procedures to deliver 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
POLICY
2022/25**

1 INTRODUCTION

- 1.1** Sustainable procurement is defined in the Scottish Government's "Sustainable Procurement Action Plan for Scotland" (2009) as the process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis and generates benefits not only to the organisation, but also to society, the economy and the environment.
- 1.2** In recent years, Sustainable Procurement has become an increasingly important item on the Scottish political agenda. Procuring sustainably involves understanding the potential environmental, social and economic impacts that are a result of our purchasing decisions.

Argyll and Bute Council's Sustainable Procurement Policy 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. The Policy also supports the delivery of the Council's Decarbonisation Plan.

- 1.3** Argyll and Bute Council is one of the region's major purchasers, with a total procurement spend in 2020/21 of £140.3TBC million, on a diverse range of goods, services and works from third parties, and recognises that its purchasing decisions have social, economic and environmental implications, both locally and nationally, now and in generations to come. It is important that this enormous spending power is used to support key Council objectives.
- 1.4** This Sustainable Procurement Policy has been developed to help the Council deliver its key strategic objectives and to meet a range of duties relating to sustainable development and climate change. This policy expands on the commitment to sustainable procurement which is set out in the Council's Procurement Strategy 2022/23. It is intended that it will apply to all contracts for works, goods or services in which the Council has an interest. From writing sourcing strategies to evaluating bids, the Council should seek to integrate relevant sustainability issues into its everyday procurement activity.

2 POLICY STATEMENT

- 2.1** The aim of this Sustainable Procurement Policy is to ensure that Argyll and Bute Council embeds the principles of sustainability within its procurement activities to ensure that only products and services which can be described as 'best value' are selected and that in all cases a balanced consideration of economic, social, and environmental impacts are undertaken throughout the procurement process.
- 2.2** This Policy also aims to ensure that Argyll and Bute Council's employees, contractors and suppliers are aware of the Council's commitment to long-term economic, social, and environmental sustainability.

2.3 Adoption of this policy shall contribute to the Council's Best Value obligations, towards the Procurement & Commercial Improvement Programme (PCIP), Best Practice Indicators (BPIs) and towards Climate Change targets.

2.4 Sustainable Procurement also contributes to the Scottish Government's seven Purpose Targets of Economic Growth, Productivity, Participation, Population, Solidarity, Cohesion and Sustainability.

2.5 Council Commitment

The Council will strive, where appropriate and possible, to ensure that decisions on the procurement of resources and/or in relation to the provision of grant funding or financial assistance to any organisation or individual are undertaken in line with our sustainability commitments and that commercial relationships are formed and nurtured with supplier and partnering organisations who share our values on sustainability.

3 PUBLIC SECTOR PROCUREMENT LANDSCAPE AND SUSTAINABLE PROCUREMENT

There are various pieces of legislation/Scottish Government tools/best practice which impact on the Council's Sustainable Procurement Policy:

- Revised Flexible Framework
- The Public Contracts (Scotland) Regulations 2015
- Procurement Reform (Scotland) Act 2014 (including the Sustainable Procurement Duty)
- Waste (Scotland) Regulations 2012
- Equality Act 2010 and the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012
- Climate Change (Scotland) Act 2009; the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019; and the Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Amendment Order 2020
- Local Government in Scotland Act 2003

4 LOCAL LANDSCAPE AND SUSTAINABLE PROCUREMENT

There are also various internal policy documents and strategies which impact on the Council's Sustainable Procurement Policy:

- Argyll and Bute Outcome Improvement Plan 2013-2023
- Argyll and Bute Council Corporate Plan for 2018-2022
- Argyll and Bute Council Procurement Strategy 2022-2023
- Argyll and Bute Council Procurement Manual
- Argyll and Bute Council Community Benefits in Procurement Guide
- Argyll and Bute Council Decarbonisation Plan 2021

5 SUSTAINABLE PROCUREMENT METHODOLOGY

5.1 Priorities

The Council's Sustainable Procurement Policy will give guidance and direction, 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 on the following priorities within the structure of the revised Flexible Framework:

1 People

- a) We will use organisational development opportunities, and e-learning to share knowledge and ensure annual refresher training on the latest sustainable procurement principles for key procurement staff, to meet any knowledge gaps.
- b) We will establish clear leadership to drive the embedding and continuous improvement of sustainable procurement within the Council, through having a Sustainable Procurement Champion within the Council.
- c) We will publicise our commitment and successes in Sustainable Procurement.

2 Objectives, Strategy & Communications

- a) We will carry out sustainable procurement whilst complying with national procurement regulations that protect and encourage open and transparent public procurement.
- b) We will ensure our Sustainable Procurement Policy continues to meet all external requirements, as well as complementing the Council's internal Strategies.
- c) We will ensure relevant communications strategies are developed and actioned as required, in relation to Sustainable Procurement outcomes.
- d) We will communicate this policy and accompanying guidance to all Council staff and elected members.

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 Community Benefits Clauses in Procurement Guide, reporting on achievements to the Council's Procurement 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, organic food, and to not knowingly purchase genetically modified food or food with genetically modified ingredients;

3 (e)/contd

- To specify minimum packaging, reusable packaging and packaging take-back;
- To provide procurement support to any strategic decisions taken by the Council in relation to the usage of Single Use Plastic products and their recyclability;
- To minimise any negative impacts of our procurements on biodiversity;
- To use recycled paper throughout the Council where there are no compatibility issues with existing equipment;
- To consider animal welfare when procuring and, wherever possible, to not purchase goods developed using animal testing.

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, third sector organisations, social enterprises, charities and cooperatives, businesses involving minority individuals and groups, and individuals and groups with protected characteristics, to participate in procurement opportunities.
- c) Where appropriate, we will consult with the people whose needs we aim to meet through our procurement to ensure that we procure goods, services and works that actually meet their needs.
- d) We will work with suppliers to educate them on sustainable procurement and our policy, to encourage them to use more sustainable goods, processes and working practices in their own business operations and encourage them to engage in sustainable procurement activities within their own supply chain.
- e) We will consult with stakeholders, including suppliers, third sector agencies and social enterprises, to ensure views are considered on sustainable outcomes sought.

5 Monitoring & Reporting

- a) The Council's ongoing programme of reviewing and improving our procurement processes will seek to ensure they remain transparent and open to the whole of the supplier community.
- b) We will ensure suppliers comply with their commitments to the sustainability criteria within our specifications and their tender submissions by building in proportionate, effective monitoring and management into contract arrangements.
- c) We will measure and report on our progress in embedding and continuously improving sustainable procurement and its contribution to delivering sustainable development annually.
- d) We will continue to ensure that reporting requirements relating to Sustainable Procurement are met, including Climate Change Reporting requirements, Equality reporting requirements, and internal reporting of Community Benefits achieved.
- e) We will continue to self-assess the Council's progress against each theme of the Flexible Framework annually, and report on our progress.

5.2 Implementation:

- 5.2.1 All Services of the Council will be expected to support the implementation of this Policy.
- 5.2.2 To ensure the successful implementation of this policy, all procurement staff will receive training on the contents.

5.3 Monitoring:

- 5.3.1 All progress against the stated priorities within this Policy will be reported on an annual basis.

5.4 Review:

- 5.4.1 This Policy will be reviewed by the Procurement, Commercial and Contract Management Team annually to ensure that it remains up to date in terms of any relevant new legislation or guidance, and to ensure that it continues to deal with the issues it was designed to address.
- 5.4.2 The Council will ensure that when the Policy is reviewed, key stakeholders are consulted by seeking their views on the content of the policy.

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:

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