

## **Procurement Toolkit: Overview**

### **1. Background**

- 1.1 The procurement toolkit has been developed to provide support and guidance for the delivery of the procurement function throughout the Council.
- 1.2 Annual spend on goods, services, and works is approximately £170m annually across a broad spectrum of categories and is supported by 147 listed contracts on the Council's Contracts Register.
- 1.3 The Procurement function operates both centrally and remotely within the Council but is influenced by a changing business environment brought about by funding changes during the next 3 to 4 years. The revised Procurement Strategy approved by Cabinet on the 2nd June 2011 takes account of the changing role of procurement and points towards a more controlled, robust and compliant operation from the adoption of a more centralised approach.
- 1.4 The Toolkit is designed to support the acquisition of goods, services, and works in the context of the Procurement Strategy and the Contracts Procedure Rules to support the Council's Corporate Objectives.
- 1.5 Compliance with the Procurement Strategy, Contract Procedure Rules and the Toolkit will be the responsibility of all Members and Officers of the Council and will be monitored by the Corporate Procurement Board.

### **2. Overview**

- 2.1 The Toolkit covers the four main themes of the procurement cycle, incorporating Business Needs, Sourcing Plans, Tendering, and Contract Management. All four themes are underpinned by a category management approach within the 'procure to pay' operation.

- 2.2 Business Needs

The Business Needs element is the process which will accurately define what is required by challenging stakeholders and establishing the appropriateness of acquisition in terms of governance, probity, funding, cost, scope, volume, quality and sustainability. The toolkit will cover several sub themes:

- Spend Analysis - Corporate tools and reports
- Definition of needs

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- Stakeholder Management and the change process
- Risks
- Milestones
- Outputs
- Quality
- Governance issues and requirements

### 2.3 Sourcing Plans

This is the next phase of the acquisition process and incorporates the role of Corporate Procurement Service as a specialised, professional support facility in conjunction with service commissioners.

The section also has a range of sub themes including:

- Market Analysis
- Corporate Contracts Provision
- Specifications
- Contract Variables
- Research
- Collaboration
- Suppliers
- Milestones
- Forward Plan
- Payments Strategy

### 2.4 Tendering

This phase of the procurement cycle is subject to the steps and stages to tendering and will have specific reference to tools and rules. The revised Contract Procedure Rules details what must be done, and the toolkit will enable the identification of the options available and the processes required. This section will include:

- Tendering – background information
  - Diversity and Equality
  - Sustainability and the Environment
  - The Local Economy, SME's, and the Voluntary and Community Sector
- Contract Thresholds and Processes
  - Tendering procedures (i.e open, closed, restricted)
  - Requests for Quotation (RFQ)
  - Pre Qualification Questionnaires (PQQ)
  - Tenders and Exceptions
  - EC Public Procurement Directives – tenders, procedures and remedies
  - eSourcing Portal
  - Aggregation

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- Policies, Terms and Conditions (including Bribery Act 2010 issues)
- Tender Evaluation –
  - Objectives,
  - Guidelines,
  - Criteria and Weighting
  - Testing Commercial Viability of Tenderers
  - Supplier References
  - Post Tender Activities – Clarifications, Presentations, Site visits
- Consultation, Reporting, Approval and Authorisation
  - Thresholds and Processes
  - Cabinet, Chief Officers and Head of Procurement.
  - Analysis and Information
  - Savings Capture
- Awards and information Publication
  - Notices and Letters
  - Contracts Register
  - iProcurement System – Catalogues and information Templates
  - Communication

### 2.5 Contract Management

This section deals with the management of the contract to ensure that initial objectives are understood, followed, and on course for achievement. The details will include:

- Performance Indicators
- Procurements Role
- Commissioners Role
- Supplier Role
- Tools, Processes and Timescales
- Issues and Remedies
- Recording and Reporting
- Post contract evaluation – extend or re-tender
- Performance Monitoring
- Benchmarking

### 2.6 Corporate Procurement Board

- Organisation and Membership
- Terms of reference
- Attendance and Programme
- Roles and responsibilities

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### **3. Summary**

- 3.1 The toolkit is a mechanism designed to support and assist with effective Corporate Procurement that delivers value, savings and efficiencies. The Toolkit will evolve and adjust as organisational change is embraced and embedded.