

BARNSLEY METROPOLITAN BOROUGH COUNCIL

This matter is a key decision within the Council's definition and has been included in the relevant Forward Plan.

**Report of the Assistant Chief
Executive, Finance Property and
Information Services**

Procurement Strategy 2013-2016

1 Purpose of Report

- 1.1 To present and seek approval to the new Procurement Strategy (2013-2016) which incorporates a detailed action plan to aid delivery of the strategy by the Council's Strategic Procurement Group.

2 Recommendations

- 2.1 **That the new Procurement Strategy (2013-2016) and associated action plan be approved.**

3 Introduction

- 3.1 Cabinet approved the previous procurement strategy in 2009 which outlined a three year action plan for the period 2009 to 2012. Of the 75 actions outlined in the strategy, 61 are complete and 14 are part-completed. Part-completed actions included those related to completion of the review of Contract Standing Orders, which has now been achieved, and functionality constraints of the electronic tendering system, which has now been replaced / updated.

- 3.2 Achievements secured by the procurement function during the period of the latest strategy include:-

- Savings in excess of £18M through smarter procurement, better procurement processes and collaboration, notably on such projects as the Property Repairs and Improvement Partnership, mobile phones, agency staff, advertising and promotional goods.
- Introduction of a more modern category management 'hub and spoke' approach to procurement.
- Use of the Supplier, Contract Management System (SCMS) for electronic tendering is embedded into the Council's procurement processes and procedures.

- Introduction of the new regional electronic tendering system (YORtender) which replaces SCMS.
- Use of electronic auctions for construction supplies, furniture, mobile phones and drainage services.
- Use of electronic invoicing systems that have dramatically reduced the number of invoices being processed each year.
- Collaboration with other local authorities on projects such as the 'EN Procure' elemental frameworks, DEEP Domestic Energy Efficiency Programme, the agency staff contract.
- Achieving an external assessment at the excellent level for the Equality Framework for Local Government in March 2011, which recognised the steps taken to embed equality into the procurement process.
- 41% of the Council's 3rd party spend is with Barnsley businesses or businesses that have offices located in Barnsley.
- 54% of the Council's 3rd party spend is with SME's, an increase of 14% from 2007/8.
- In January 2011 the procurement service in NPS Barnsley achieved accreditation from the Chartered Institute of Purchasing and Supply (CIPS) for its purchasing policies and procedures.

4 Consideration of Alternative Approaches

- 4.1 Cabinet could choose not to approve the new procurement strategy but this would result in there being no current strategic document detailing the future direction, priorities and targets for procurement within the Council.

5 Proposal and Justification

- 5.1 It is proposed that the new Procurement Strategy (2013-2016) is approved.
- 5.2 The new strategy sets out the direction, priorities and targets for procurement within the Council over the period 2013 to 2016. The vision and aims for procurement over this period are aligned with those of the Council, as described in the Council's Corporate Plan 2012-2015 and are focused on:-
- Delivering value for money, efficiency and savings
 - Supporting growth in the local economy
 - Improving environmental sustainability

- Building strong governance
- Putting benefits for citizens and local communities at the heart of everything we do

Our key actions will be:-

- Further develop and refine the category management model for procurement within the Council.
- Take an active role in any collaboration initiatives and deploy use of the new regional spend analysis tool, PROspend, across the Council to identify further opportunities for regional and sub-regional collaboration.
- Develop a Buyer Profile (or future procurement plan) to ensure procurement is properly planned, resourced and managed, procurement saving opportunities are targeted and secured, and supplier development programmes are facilitated.
- Develop a corporate methodology for calculation and reporting procurement related savings and produce an Annual Efficiency Summary.
- Benchmark the performance of the procurement function regionally.
- Work alongside the Council's Enterprising Barnsley team to support new business start-up and encourage small businesses to develop their procurement and tendering skills.
- Make the procurement process proportionate to the complexity, risk and value of the contract.
- Increase the use of Approved Lists of Suppliers for smaller values of procurement that will benefit from local supplier presence and input.
- Develop a Social Value Toolkit to help procurers secure social, economic and environmental outcomes from their procurement activity.
- Review the Council's Carbon Management Plan and establish a 'Plan of Action for Procurement' to support this. This includes implementing the Barnsley Timber Procurement Policy.
- Adopt a 'One Council' approach to procurement and contract management, overseen by the Council's new Strategic Procurement Group.

- Ensure all procurement is conducted in accordance with the Council's Contract Procedure Rules.
- Explore alternative trading models which will maintain and may further improve services in terms of their efficiency, effectiveness and their ability to grow, generate income and survive.
- Support the commissioning and procurement activities of the Area Councils and Ward Alliances.
- Develop and deploy effective contract management techniques.
- Support the Council in fulfilling its public sector equality duty.

6 Delivering Sustainable Community Strategy Ambitions

- 6.1 The procurement strategy details how procurement will assist the Council in achieving its Sustainable Community Strategy Ambitions.

7 Long Term Sustainability of the Proposal

- 7.1 The Procurement Strategy incorporates a detailed action plan for procurement over the period 2013 to 2016. This strategy continues and builds on the successful work achieved under the existing strategy.

8 Impact on Local People

- 8.1 There are no issues arising from this report.

9 Compatibility with European Convention on Human Rights

- 9.1 There are no Human Rights issues arising from this report.

10 Promoting Equality, Diversity and Social Inclusion

- 10.1 The new strategy details how equality and diversity will be further consolidated into procurement processes and decisions to support the Council fulfilling its public sector equality duty.

11 Reduction of Crime and Disorder

- 11.1 In developing this strategy the Council's obligations under the Crime and Disorder Acts have been fully considered.

12 Conservation of Biodiversity

There are no issues arising from this report.

13 Risk Management Issues (including health and safety)

13.1 Risk Management implications arising out of this report will be undertaken as part of the action planning process.

13.2 The strategy details the importance of Health and Safety in procurement.

14 Financial Implications

14.1 There are no direct financial implications as a result of the strategy.

14.2 The strategy includes an action to develop a corporate methodology for the calculation and reporting of procurement related savings. This will result in production of an Annual Efficiency Summary.

15 Employee Implications

15.1 The strategy outlines the need to further develop and refine the approach to category management within the Council, and there will be training requirements resulting from a skills audit that is aimed at supporting the future Category Management Framework.

16 Glossary

16.1 Not applicable

17 List of Appendices

Appendix B – The Procurement Strategy (2013-2016)

18 Background Papers

None

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Annex A

Procurement Strategy 2013-2016

Consultations

(a) Financial Implications

The Financial Services Manager and the Insurance and Taxation Manager have been consulted on behalf of the Assistant Chief Executive (Finance, Property and Information Services) and details are given in item 14 of the report.

(b) Employee Implications

A Human Resources Adviser has been consulted on the content of the report on behalf of the Assistant Chief Executive HR, Performance & Partnerships and Communications.

(c) Legal Implications

A Legal Services adviser has been consulted on behalf of the Borough Secretary.

(d) Policy Implications

There are no direct policy implications of this report.

(e) Local Members

There are no direct implications of this report for Local Members.

(f) Health and Safety Considerations

There are no additional health and safety implications of this report.

(g) Property Implications

There are no direct implications of this report on property.

(h) Implication for Other Services

The strategy is a corporate document and procurement is a corporate wide activity. Procurement personnel in other services have been consulted and have contributed to this strategy and its priorities.

(i) Implication for Service Users

There are no implications for service users in this report.

(j) Communication Implications

There are no direct communications implications of this report.

BARNSELY METROPOLIAN BOROUGH COUNCIL

PROCUREMENT STRATEGY 2013 – 2016

INTRODUCTION

Historically, Barnsley Council has spent in the region of £200 million annually on the supplies, services and works needed to deliver quality services to local people. How well we procure our requirements fundamentally impacts on the value for money we provide.

Good procurement is essential particularly because by buying well we secure savings that can be ploughed back into front-line services. It is vitally important that we use procurement to alleviate budget pressures.

*“The public sector spends over £125 billion a year procuring a wide range of goods and services from ... items such as pens and paper, to major construction projects such as schools and hospitals. All those who, as taxpayers, use and fund public services have the right to expect government to meet the highest professional standards when it procures on their behalf”
(Transforming Government Procurement)”*

This strategy sets out how we will ensure our procurement continues to deliver excellent value and supports the Council’s transformational plans. It builds on the progress we have made in recent years.

WHAT HAVE WE ACHIEVED SO FAR?

Savings: Our procurement resources have delivered successfully over a diverse range of projects and achieved savings in excess of £18m over the past 3 years, notably on such projects as the Property Repairs and Improvement Partnership, mobile phones, agency staff, advertising and promotional goods.

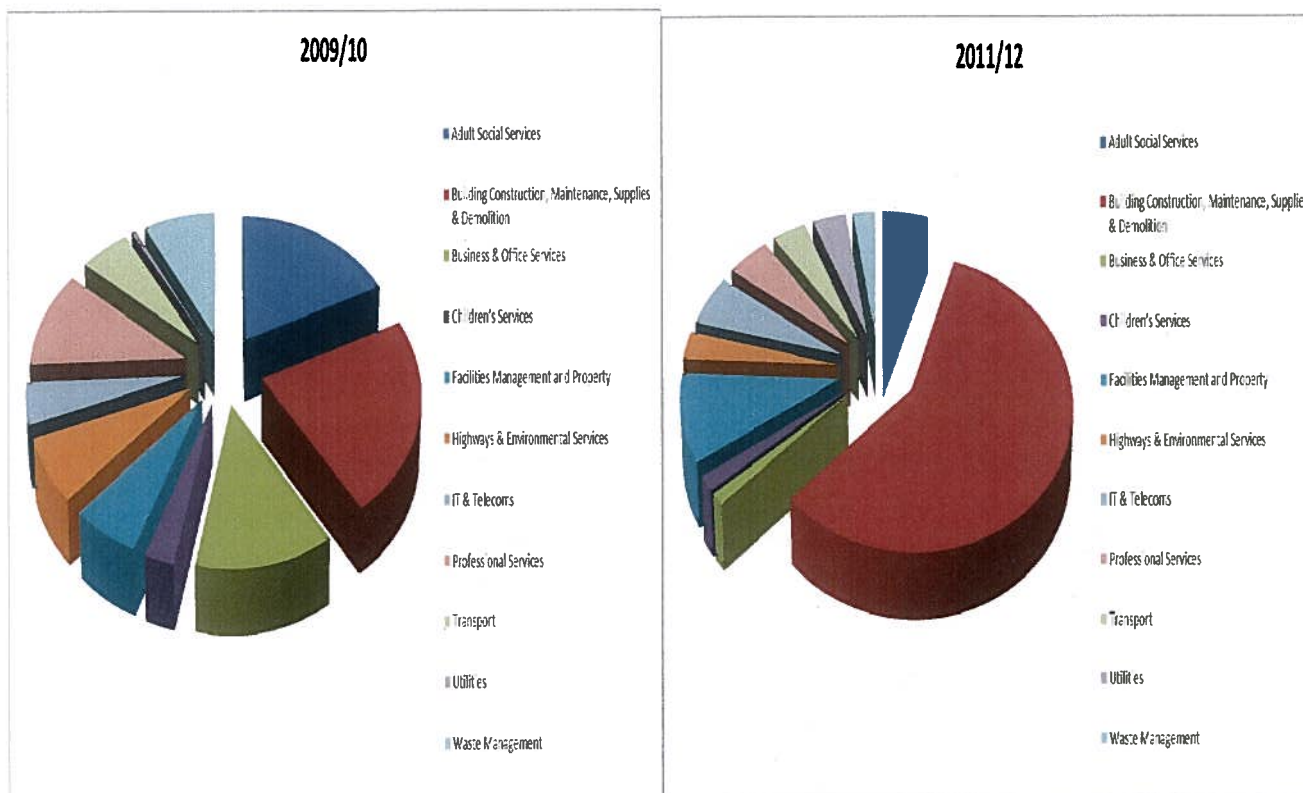
Category Management and Spend Analysis: The Council has adopted a modern approach to procurement by introducing a category management ‘hub and spoke’ framework. This framework, coupled with the detail of spend now available from the SAP financial management system, has given improved visibility on major spend areas.

Our key categories are:

- Adults Services
- Building Construction
- Business & Office Services
- Children’s Services
- Facilities Management and Property
- Highways and Environmental Services
- IT & Telecoms
- Professional Services

- Utilities
- Waste
- Transport
- Public Health

The following charts show the level of spend in the principal expenditure categories, and how this has evolved between the financial years 2009/10 and 2011/12.



Category	2009/10	2010/11	2011/12	2012/13
Adult Social Services	21,043,887	12,405,549	10,193,780	43,949,017
Building Construction, Maintenance, Supplies & Demolition	25,579,758	125,157,752	116,254,556	68,985,713
Business & Office Services	14,623,478	12,953,248	2,715,705	4,608,571
Children's Services	3,182,792	3,780,892	3,465,440	7,670,697
Facilities Management and Property	7,140,141	6,487,346	19,847,213	13,357,638
Highways & Environmental Services	8,371,707	9,199,330	6,359,400	6,950,631
IT & Telecoms	5,389,934	5,351,827	11,862,478	19,022,690
Professional Services	12,915,623	13,691,131	9,915,297	27,873,424
Transport	6,562,310	7,127,655	7,868,682	9,458,615
Utilities	585,143	430,141	7,776,651	8,850,494
Waste Management	9,383,063	12,112,933	5,100,973	13,783,212
Public Health				11,049,223

E-Procurement: Until recently, all contracts over £50,000 in value were advertised on the Council's website and on the regional Supplier Contract Management System (SCMS). E-tendering through the SCMS system became embedded within the Council and in the last 3 years 325 tenders were electronically processed through it. It is estimated that administrative savings in this period from the use of the SCMS system were in the region of £200,000.

On 1 January 2013, we introduced a new electronic tendering system, YORtender. This was procured collaboratively through YORprocure, the regional strategic procurement group. It is now mandatory to advertise all Council procurement above £2,500 on this system.

Electronic auctions continue to be utilised where appropriate to the type of goods/service being procured. Since 2006, we have participated in electronic auctions for construction supplies, furniture, mobile phones and drainage services, which have resulted in over £1million pounds savings on budget.

Electronic invoicing systems that link with the Council's financial system radically reduce the number of invoices being processed each year. Batches of electricity, gas and water invoices can now be processed in one transaction resulting in 14,000 less invoices being processed each year. Early payment discounts are now being pursued and the first of these from British Gas will save around £10,000 per year.

Procurement cards are deployed for social purposes in children's services and enable the Council to perform its role as a carer more sympathetically, and to better respond to the needs of children. They have delivered transactional efficiencies, streamlined supplier registration processes and enabled greater savings from a wider base of providers.

Collaboration: The Council uses a range of public sector buying consortia such as the Yorkshire Purchasing Organisation (YPO). This has been particularly helpful in mitigating the effects of significant energy price rises over the 3 financial years to 2012/13. The Council also uses Government Procurement Service (GPS) frameworks. The most recent example being the GPS e-auction for mobile telephony services which achieved annual savings in the region of £200,000.

The Council jointly procures with a number of its neighbouring local authorities including Doncaster, Rotherham, Sheffield, Wakefield, and East Riding of Yorkshire. Recent examples are:

- The EN Procure Elemental Frameworks
- The YORcivils frameworks
- DEEP Domestic Energy Efficiency Programme
- The agency staff contract
- The 25+ health project

- Gateway Plaza office furniture, mobile phones and multi-functional devices
- Maintenance and installation of Stair-Lifts to the social housing stock. Council procurement staffs are active members of YORprocure, the Regional Strategic Procurement Group.

Equality and Diversity: The Council has put in place a comprehensive approach to implementing equality and diversity within the procurement process. This requires that equality is a key early consideration in all procurement exercises and, where applicable, Equality Impact Assessments will be undertaken to inform both the procurement process, contract terms and subsequent contract management. We have also put in place a system to monitor how diverse our suppliers are.

In March 2011, the Council received an external assessment at the excellent level for the Equality Framework for Local Government. This assessment recognised the steps taken to embed equality into the Procurement process, with the final report stating: *“The procurement team, and procurement arrangements, are proactive about including equality and diversity in their practices. They recognise the value and leadership in building equality not just into contracts, but also in their monitoring of contracts.”*

Small to Medium-Sized Enterprises/Voluntary, Community and Social Enterprise Sectors: All the Council’s procurement over £2,500 is advertised on the YORtender portal. The system automatically alerts suppliers to the opportunity, and directly links to the government’s small business ‘Contracts Finder’ portal. The Council’s procurement strategy, information on the tender process, contracts register and forthcoming tenders are all now available on the Council’s website. All of this improves access to information and encourages participation in competition by businesses which find it difficult to access the local government market, in particular Small to Medium Sized Enterprises and the Voluntary, Community and Social Enterprise Sectors. These documents and information support and reflect the guidance contained within the One Barnsley Compact ‘Working Together: A Compact for Barnsley’. Details of the Compact and the “Doing Business with Barnsley – Suppliers Guide” can both be found at www.barnsley.gov.uk

A number of ‘Meet the Buyer’ events are organised around category spend plans. Health and Social Care organise annual events. In a place where personalisation and giving people the right to control is at the forefront of future service delivery, it is important for providers to be innovative and creative in their approach. These events promote information gathering, sharing of ideas, re-shaping of services and innovation. In addition, the Council is developing www.connecttosupport.org.uk/barnsley which enables health and social care SME’s to promote their services

In 2011/12, 41% of the Council’s third party spend was with Barnsley businesses or businesses that have offices located in Barnsley.

Approximately 54% of the Council's spend is with SME's, an increase of 14% from 2007/08.

Capacity Building and Procurement Skills: The Procurement Intranet provides guidance, information, standards and advice to staff on all aspects of the procurement process.

A range of procurement training sessions have been delivered for Barnsley Council officers including initiatives through the Smarter Procurement Programme, funded by the Regional Improvement and Efficiency Partnership. These have included 'Smarter Spending', 'Smarter Negotiation', 'Promoting Apprenticeships through Procurement', 'Supporting Sustainability through Procurement'.

In January 2011, the procurement service in NPS Barnsley Ltd achieved accreditation from the Chartered Institute of Purchasing and Supply (CIPS) for its purchasing policies and procedures. CIPS Certification is the recognised global standard for procurement excellence and involves auditing an organisation's procurement and supply chain policies, procedures and strategies. The accreditation has only been awarded to 25 public bodies in the UK, only 4 of which are local authorities.

NATIONAL CONTEXT

Local government procurement strategy and policy is driven by national reports and agendas. The Government's 2010 Spending Review advocated transforming procurement to achieve spending reductions, with key messages being:-

- Align procurement with organisational policy
- Collaborate and aggregate
- Implement category management techniques
- Streamline processes
- Use accurate data
- Find alternative models for delivery

The credit crunch has led to an international recession which has had significant impact upon the UK economy resulting in the UK economy officially entering into recession in February 2009 and again in April 2012. Unemployment and inflation remain high, there are significant pressures on social housing and major reforms are underway, for example to the welfare systems. The Localism Act 2011 sets clear expectations that some power and budgets will be passed down to local communities, as well as giving citizens greater choice in shaping local services. Radical reforms for partner organisations such as the NHS are also impacting on local government, for example the transfer of some Public Health services.

The Council is currently delivering the toughest local government funding settlement in many years. The Government's Autumn Statement in 2011, and the national budget in 2012, indicates that the next Comprehensive Spending Review will be at least as challenging in terms of public expenditure reductions.

This procurement strategy, therefore, is relevant to a period of financial restraint in local government particularly as a consequence of central government's reform agenda. New rights and powers for communities stemming from the Localism Act 2011, such as the community right to challenge, will demand effective procurement performance to achieve better outcomes for local people.

As a consequence of all this, we will have to do things differently and deliver more focused services for less money. Getting procurement right has never been more important. The Council continues to seek out opportunities for changing the nature and the way services are delivered through a range of measures based upon the principles of:

- Applying the 'Whole Service' approach by identifying the potential for cost savings by joint service provision or the rationalisation of the use of assets.
- Use of technology to provide efficiencies at lower cost.
- Business process re-engineering through value for money and service reviews.
- Improvement in procurement and contract management.
- Decommissioning of low priority and non-essential activity having regard to local priorities and customer expectations.
- Maximise income generation opportunities for the Council and its partners.

THE CORPORATE FRAMEWORK

Procurement has to be seen in the context of the Council's overall priorities and objectives. Whilst the driving force will continue to be focused on securing goods, works and services at the best quality for the best price, it is also important that procurement decisions are taken in light of the broader priorities and objectives that the Council is seeking to achieve, as set out in the Council's Corporate Plan 2012-15.

The Council's vision is to **“enable the improved wellbeing of individuals, families, communities and businesses in a healthy, safe and more prosperous borough”**

The Corporate Plan 2012-15 sets out the 3 overall priorities for the Council in delivering this vision as being:

- Growing the Economy.
- Improving People's Potential and Achievement.
- Changing the relationship between the Council and the community.

In order to deliver these priorities and improve outcomes for local people and communities, the Council will need to work in a different way. Whilst the changing relationship priority will be crucial to achieving a different way of doing things, there are other things that describe "how", as an organisation, the Council is going to ensure improvement and change – these cut across all areas of activity and include a number of key areas that underpin day to day work.

The areas for improvement and change can be described as:

- **Future People and Culture** – Having the right people with the right skills, knowledge and behaviours.
- **Future Leadership** – Ensuring clear and shared leadership across the organisation and with our partners and communities.
- **Future Investment** – Making the most effective use of resources.
- **Planning for the Future** – Doing things differently and embracing change.

Put together, these priorities and areas for improvement and change will combine to be the things that all services contribute towards in order to support the Council in achieving its vision.

To ensure alignment between corporate strategy and service delivery, each service has a Service Delivery Plan which sets out the core purpose, objectives and actions that the service is taking forward. These Service Delivery Plans are developed giving consideration to the role of the service in supporting the delivery of the Council's priorities.

This procurement strategy supports the Council's three key corporate priorities and is integral to the delivery of the Council and NHS joint commissioning strategies for Older People, Adult Mental Health and Wellbeing, People with Learning Disabilities and Adults with Physical or Sensory Impairment. It considers the balance between use of collaborative purchasing arrangements, enhanced buying power, electronic procurement, longer term partnerships, localism in delivery of services, enablement of local businesses and Small to Medium Enterprises (SME's) and the commitment to developing professional skills. It also acknowledges that the Council needs to benchmark procurement, performance and efficiencies using smart KPI's.

The strategy sets out a new 3 year vision for procurement within Barnsley Council for the period from 1 July 2013 to 30 June 2016. It will build on the good work and successes achieved previously, and the actions plans contained at the end of this document will be the subject of annual review and monitoring by the Council's Strategic Procurement Group.

CONTROLS, STANDARDS AND RISK

The Council has a duty to its communities to apply controls and consistently high standards across the Council to provide value for money and to ensure that its procurement practices are open, fair, equitable and transparent, and to ensure that risk is managed.

The following are the main regulations, controls and standards that relate to procurement:

- European Union Directives and national regulations
- Contract Procedure Rules (CPR's)
- Financial Regulations/Terms of Reference & Delegations
- National Procurement Strategy for Local Government
- BMBC Procurement Strategy
- BMBC Commissioning Strategy
- The Medium Term Financial Plan
- Corporate Risk Management Strategy
- The Council's financial management system
- The Council's electronic tendering system
- Best Practice Procurement Intranet
- Project Management 'Gateway' Controls
- Standard contract terms and conditions
- Chartered Institute of Purchasing and Supply (CIPS), Royal Institution of Chartered Surveyors (RICS), Institute of Chartered Engineers (ICE) Ethical Codes
- Internal and External Audit

PROCUREMENT POLICY AND PRINCIPLES

The Council's Procurement Policy at Appendix A sets out its position on competition, its commitment to achieving corporate priorities and its expectations of best value procurement. The policy is a key document that underpins this strategy.

All goods, works and services sourced across the Council must be on terms which support the Council's strategic and social objectives and which deliver efficiencies. Effective procurement must therefore be measured by the social outcomes and community benefits that result as well as by financial gains. Balancing these two priorities is at the heart of effective best value procurement. In support of best value and the corporate priorities, the following **procurement vision** has been developed:

“To deliver sustainable goods, works and services through ‘best in class’ procurement, in a legally compliant manner, that stimulates growth in the local economy and achieves value for money for the Council and citizens of Barnsley”

PROCUREMENT AIMS

The key aims for this procurement strategy are:

- To deliver value for money, efficiencies and savings
- To support growth in the local economy
- To improve environmental sustainability
- Build strong governance
- Put benefits for citizens and local communities at the heart of everything we do

These key aims will result in a number of specific actions that will be measured within the procurement strategy action plan. This action plan will outline the key actions together with timescales, targets and resources required to deliver. In addition, the aims will be embedded into the annual service plans of directorates across the Council, including those of its strategic partners. These actions are described below.

Deliver value for money, efficiencies and savings:

The Barnsley £ will count - all goods, works and services will be procured in the most effective and efficient way to help deliver better and more focused services for less money.

Category Management: The Council’s category management model is based on the principle of specialisms and organisational spend is managed by discrete categories. Specialist knowledge of a specific category of spend should facilitate improved relationships with key users across the Council and that knowledge, relationships and commercial discipline should drive cost reduction savings and service innovations. The existing category management model needs to further develop to improve those commercial disciplines such as demand management (challenging the need to buy/specification/volume), supplier management and more effective contract management to contain costs.

Each key category of spend needs to be better managed, and category procurement plans should be developed rather than strategies for individual projects. This will include establishing, managing and monitoring any approved lists that are deemed necessary for any particular category of spend. The Council’s category managers need to be more involved in budget and planning sessions, and inform savings targets that are then monitored and realised over the financial year.

The category managers need to become sophisticated at managing commercial relationships in order to maximise value and innovation. Communication with existing networks and partners must also improve, and this includes communication with the voluntary, community and social enterprise sectors.

Our key categories and category managers are:

- Adults (David Harper)
- Building Construction (Karen Temple)
- Business & Office Services (Glyn Stephenson)
- Children's Services (Julie Green)
- Facilities Management and Property (Tony Taylor/Daniella Barrow)
- Highways and Environmental Services (John Graham/Paul Bray)
- IT & Telecoms (Kathy Clarke)
- Professional Services (Glyn Stephenson)
- Utilities (Jenny Grant)
- Waste (Matthew Bell)
- Transport (John Graham)
- Public Health (Lisa Loach)

Collaboration in procurement reduces duplication of effort, better utilises scarce resources and skills, generates greater purchasing power and helps to spread best practice and market intelligence. The Council will take full advantage of its membership of YORprocure (the regional strategic procurement group) and take an active role in any collaboration initiatives.

Annual expenditure will be analysed using data from the Council's financial system and spend analysis tools procured jointly with YORprocure. This will enable benchmarking activity through the Spend Analysis Task Group set up by YORprocure, to identify suppliers and spend in common across the region, and opportunities for further regional and sub-regional collaboration.

The contracts register will be developed into a buyer profile or future procurement plan on the Council's website. We will produce an annual procurement plan using the buyer profile and business information from the Council's category managers. These plans will highlight major planned expenditure, key tendering exercises and supplier development programmes.

A corporate methodology will be developed for the calculation and presentation of procurement related savings. These savings will be recorded on a savings register which will be validated periodically by the Council's Strategic Procurement Group and consolidated annually into an Annual Efficiency Summary.

We will use the Annual Procurement Plan to target procurement savings, and we will report to the Council's Strategic Procurement Group quarterly on achievement against savings targets.

Through regional procurement initiatives procurement performance will be measured by benchmarking the cost of goods and services against other participating public sector bodies.

YPO, GPS and other “open” framework contracts will continue to be used where appropriate, to reduce procurement costs and release procurement professionals to undertake procurement activity where they can add more value to the process.

Existing framework contracts such as EN Procure and YORcivils will continue to be used where appropriate, where they offer value for money and reduce our time to market. Further efficiencies will always be driven through the use of mini-competitions.

Where a framework agreement exists for Council use, these are listed on the Council’s procurement intranet. Any resulting call-off contracts will be identified on the Council’s contracts register.

Shared services can deliver efficiencies and improve both effectiveness and the employee or customer experience by standardising, simplifying and consolidating service provision. Corporate services will continue to be reviewed to ensure that they are delivered in the most cost effective way and that opportunities to share services with other public sector bodies are being explored.

Support Growth in the Local Economy

The social and economic regeneration of Barnsley is central to the Council’s activities. This involves stabilising and growing the local economy by identifying and stimulating new routes to employment and economic opportunity. This means increasing the creation and survival of businesses, securing inward investment and improving employment opportunities and skills.

‘Meet the Buyer’ Events: The Council’s procurement staff will continue to host and/or attend ‘Meet the Buyer’ events to provide opportunity for local suppliers to meet face-to-face with the Council’s buyers.

Encouraging Small Businesses: Through provision of information, feedback, advice, support and one to one business mentor coaching, the Council will support companies to develop their procurement and tendering skills.

The Council will further develop websites such as www.enterprisingbarnsley.co.uk to facilitate a common approach to local suppliers and a portal where organisations can obtain information about a wide range of procurement and business support services in the area to:

- Promote better understanding of procurement opportunities
- Promote relationships and partnership working
- Support the local economy
- Reduce procurement barriers and complexity

The Council's procurement policy will include the requirement to increase tender lists so that, where possible, two local companies are given the opportunity to tender/submit quotations.

The Council has increased the threshold for seeking quotations from £50K to £100K and this value of spend will no longer be subject to rigorous pre-qualification processes.

The Council will make the procurement process proportionate to the complexity, risk and value of the contract. It will consolidate its approach to the use of pre-qualification questionnaires through production of a specific policy that challenges the use of pre-qualification questionnaires for all sub EU procurements, in line with PPN 01/12 national guidance. Pre-qualification approaches in future will be streamlined to ensure only directly relevant questions are asked. They will involve less complex financial checks. The review of pre-qualification will also consider alternatives for demonstrating financial status, historic track record and provision of references in order to improve opportunity in future for new businesses. Requests for less onerous insurance requirements will be considered by the Council's insurers on a contract by contract basis and, depending on the outcome, a risk-based methodology may be developed for future use.

The Council will increase its use of Approved Lists of Suppliers for smaller values of procurement that will benefit from local presence and input. Access onto these Approved Lists will remain open for their duration, thereby providing opportunity and encouragement to new and evolving businesses.

Social Value Toolkit: Barnsley Council is committed to maximising social value from its procurement activities and will produce a toolkit to support the specification of social value in its tenders. Social value procurement is using the Council's buying power to secure social, economic and environmental objectives in ways that offer real long term benefits. The toolkit will support the Council and potential providers to embed social value in all procurement activity.

Stimulate Innovation: The Council will make procurement as inclusive as possible by involving existing and potential suppliers at the earliest appropriate stage of the procurement process. It will encourage innovative ideas, creativity and co-production where necessary, fostering new methods of working and integrated approaches to procurement.

Prompt Payment: The Council recognises that prompt payment is critical to the cash flow of every business and especially to smaller businesses within the supply chain and is therefore a signatory to the governments' prompt payment code. Code signatories undertake to:

Pay Suppliers on time

- within the terms agreed at the outset of the contract
- without attempting to change payment terms retrospectively
- without changing practice on length of payment for smaller companies on unreasonable grounds

Give clear guidance to suppliers

- providing suppliers with clear and easily accessible guidance on payment procedures
- ensuring there is a system for dealing with complaints and disputes which is communicated to suppliers
- advising them promptly if there is any reason why an invoice will not be paid to the agreed terms

Encourage good practice

- by requesting that lead suppliers encourage adoption of the code throughout their own supply chains

Improve Environmental Sustainability

The Council is committed to reducing the negative effect on the environment of the goods, works and services that it procures. This will be achieved by properly considering the environmental impact purchasing decisions, and by working with partners and suppliers to make sure they have a similar commitment.

The Council's sustainable procurement policy is attached at Appendix B and sets out how the Council will use its buying power to consider goods, works and services that respect the environment, and also take into account the social and economic impacts of procurement. In support of this policy, the following actions will be taken in relation to environmental sustainability:

The Council's Carbon Management Plan will be reviewed and a practical 'Plan of Action for Procurement' created. This will ensure that sustainability and carbon reduction is built into major and strategic procurement processes and contracts through development of a Sustainability Framework (to be used at the development and implementation stages of procurement projects) and the undertaking of Sustainability Impact Assessments. The Carbon Management Plan will also be reviewed with existing strategic suppliers to the Council to ensure they are effectively contributing to achieving the Council's ambitious carbon reduction targets.

The Council's purchasing catalogues will be utilised to promote more environmentally friendly items and thereby make it easier to buy "green" products

The use of whole life costing in tendering exercises will be deployed, particularly in relation to major projects and corporate contracts. This means assessing and evaluating all costs and benefits over the entire physical life and disposal of goods and services.

Barnsley recognises that it has impacts on distant communities through its supply chains. Consideration will be given to making a fair trade commitment and purchasing fair trade and fairly traded products whenever possible.

The UK government has a policy on timber procurement that requires all timber and wood derived products are from independently verifiable legal and sustainable sources or FLEGT-licensed timber (or equivalent sources). Adopting the broad outline of government policy on this issue, the Council will implement the Barnsley Timber Procurement Policy (attached at Appendix D) to mitigate the purchase of illegally sourced timber and products.

Build Strong Governance.

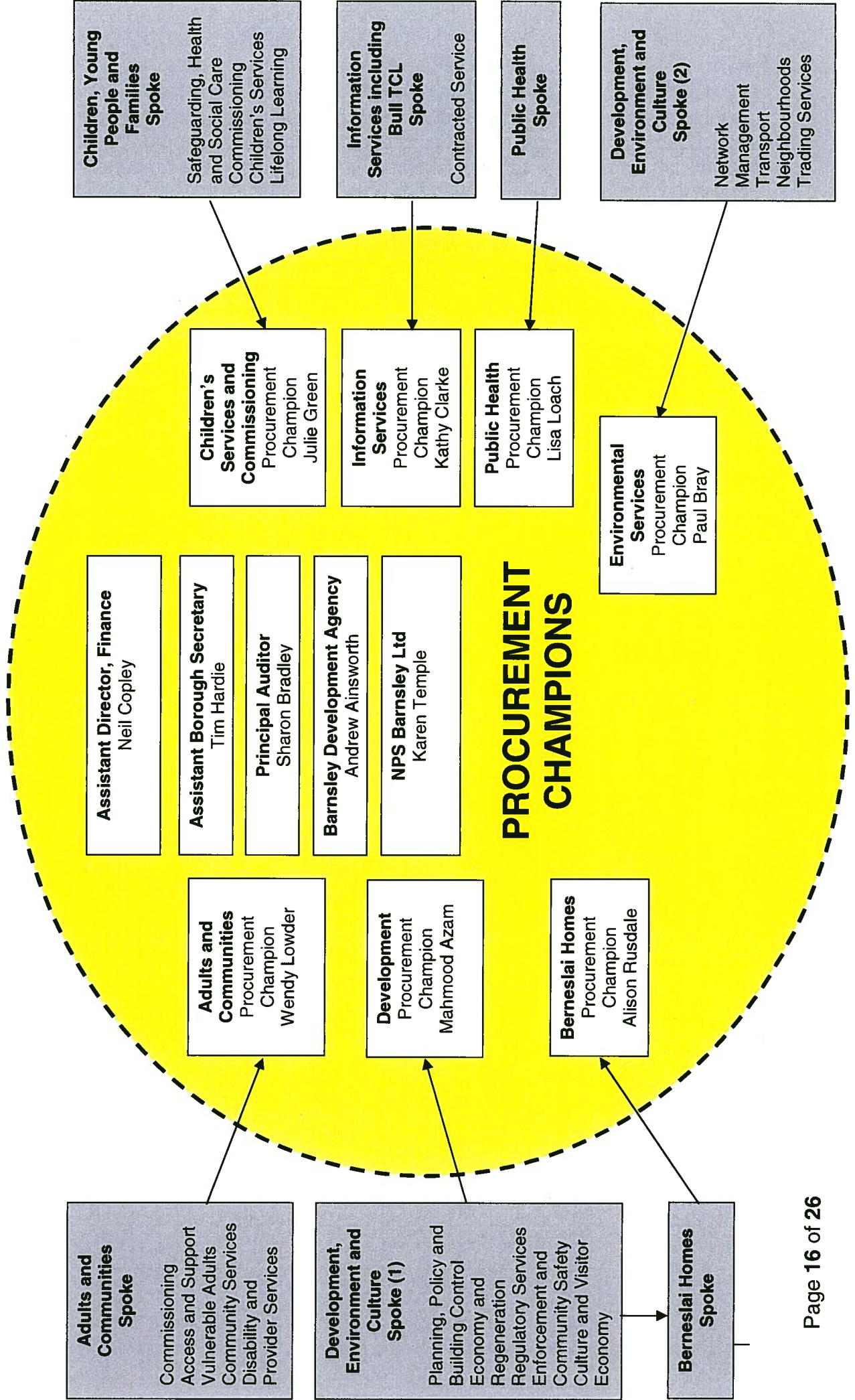
The Assistant Chief Executive, Finance, Property and Information Services, holds overall responsibility and accountability for procurement within the Council. Day to day responsibility for procurement policy, guidance and implementation lies with the procurement team within NPS Barnsley Ltd., and this strategy will co-ordinate category plans to deliver improvement in procurement practice as a corporate priority.

The Council's existing Strategic Procurement Group is based around the 'hub and spoke' model for procurement, and comprises key buying staff from the Council's main spend areas, along with representatives from legal and internal audit. The diagram overleaf shows proposals for a newly configured Council Strategic Procurement Group. This group will comprise 'Procurement Champions' for the main categories of spend, either Category Managers or officers with the necessary influence and authority to ensure this procurement strategy is delivered.

The purpose of this Strategic Procurement Group is to implement a 'One Council' approach to procurement and contract management. It will deliver this procurement strategy, developing and delivering an Annual Procurement Action Plan. It will also act as a source of expertise and take responsibility to determine, implement and actively promote best practice in procurement and contract management with the aim of driving continuous improvement throughout the Council. The proposed Terms of Reference of this group are detailed at Appendix C.

BARNESLEY METROPOLITAN BOROUGH COUNCIL

STRATEGIC PROCUREMENT GROUP



The Council's electronic tendering system (currently YORtender) is used to manage all procurements over £2,500 in value. The benefits include:

- Reduction in advertising costs
- Wider advertisement across the Yorkshire & Humber region, and nationally through Contracts Finder
- Workflow/project management
- Electronic processing
- Visibility of activity
- End to end audit trail

Member involvement in procurement is achieved in the following ways:

- Council approval of changes to the Contract Procedure Rules
- Cabinet approval of the Council's Procurement Strategy
- Cabinet annual updates on procurement progress and performance
- Cabinet approval of procurement plans and contract awards for major strategic projects
- Elected member procurement champion
- Elected member consideration of reports on the performance of contracts/capital schemes completed over £1million
- Elected member consideration of reports on the proposed procurement strategy for contracts exceeding £1million, and/or having possible workforce implications or other significant sustainability issues

Certain directorates/category managers lead on the procurement of specific supplies, services and works on behalf of the Council as a whole. Examples include IT and utilities. The ongoing category management plans will strengthen this existing model.

Officers responsible for procurement within services and directorates must:

- Undertake procurement activity in line with this Procurement Strategy, Council's Contract Procedure Rules, Council's Procurement Policy, Financial Regulations, Terms of Reference & Delegations, EU and National Procurement Regulations, procedures/standards contained on the Council's procurement intranet, and the Annual Procurement Plan
- Consult with and appraise relevant members as appropriate and, where necessary, seek cabinet approval for contracts
- Submit updates on request for the Council's Contracts Register and Annual Procurement Plan to key Category Managers providing details of their intended procurement activity and projects for the upcoming financial year
- Be responsive to collaborative projects
- Attend procurement training programmes
- Monitor the service/directorate's capacity to achieve its procurement objectives as stated in the Annual Procurement Plan
- Participate as required in the Strategic Procurement Group

Ensure that forms of contract/agreement are approved by the Council's Legal Services before use, and contracts over £100,000 are signed and awarded by Legal Services

The Council's Contract Procedure Rules (CPR's) form part of its Constitution and provide the framework for procurement policies, procedures and processes. The mandatory instructions given in the CPR's are supplemented by the guidance, procedures and standard forms contained on the Council's procurement intranet. All procurement must be conducted in accordance with CPR's:

- To ensure compliance with the Procurement Strategy and regulatory framework
- To obtain value for money
- To comply with the law governing the spending of public money
- To protect Council employees and members from undue criticism or allegation of wrongdoing
- To ensure accountability and fairness, openness and transparency in the procurement process

The Council has a legal duty to comply with the EU Procurement Directives and these are enforced in UK law through the Public Contracts Regulations 2006 (as amended). This legislation governs the way in which public sector procurement processes must be conducted for contracts over specified thresholds. The regulations are based on the principles that:

- Contracts over specified thresholds must be advertised throughout the EU and procured transparently
- All enquirers and suppliers must receive equal treatment in order to eliminate discrimination on the grounds of nationality
- All the supplier selection, tender and award procedures must involve the application of objective and transparent criteria

Substantial reform of the EU regime is expected in the form of a new directive anticipated end of 2013 for implementation in 2014.

The Council publishes details of contracts awarded via its website. The format aligns with government guidance on transparency.

Effective procurement requires capacity commensurate with the volume and complexity of the activity. A specific set of competency criteria is being developed for procurement to support the Council's workforce planning framework, and the Council's ability to deliver effective and compliant procurement. Procurement will also be included in induction training for managers and new starters.

The Council's further development of category management will require new skills to realise the benefits. Core skills will focus on:

- Category planning and management
- Market knowledge
- Negotiation
- Relationship management
- Contract management
- Spend management
- Commissioning process

Workforce matters are often a key factor in service procurement decisions. The views of Trade Unions and employing organisations form part of intelligence gathering, and services are encouraged to consult with Trade Unions. The Council works constructively with union and workforce representatives in respect of procurements which have the potential to affect staff including the renewal of previously externalised service provision.

Put Benefits for Citizens and Local Communities at the Heart of Everything We Do

We need to ensure that the most needy and excluded groups in our communities are included in the design, delivery and improvement of the services they receive, and that those services provide equal and real opportunity for improvement and enhanced quality of life.

The Council's Commissioning Strategy describes the changing relationship between the Council and the Community and identifies the Council taking a more enabling role in future, with others taking greater responsibility for delivering services in a different way. It states that commissioning requires:

- Engagement with service users and families as well as providers to assess needs, review provision and decide priorities
- Design of services that are cost-effective, best practice, and enable innovation
- Development of the market and structure of supply through stimulating provider interest
- Management of supply and demand within cash-limited resources
- Performance management regimes that evidence achievement of the agreed quality and outcomes

The Localism Act 2011 includes a General Power of Competence for councils, and gives new rights for communities to challenge councils over the running of local services. It supports plans for radical reform of public services, including for a wide range of groups and organisations, such as mutual, co-operatives, charities and social enterprises to have much greater involvement in the running of public services.

The general power of competence is intended to allow authorities to generate efficiencies, secure value for money outcomes, and raise money by charging for discretionary services. However, anything done for a commercial purpose must be done through a company.

The Community Right to Challenge opens the way for voluntary and community organisations, not-for-profits, charities and social enterprises to trigger a procurement process by expressing an interest in providing council services. The provision has to be seen in the context of the Open Public Services White Paper, which is intended to open up public services to private and third sector providers.

There is a need to develop ideas for new organisational forms for public services that offer alternatives to traditional public and private-sector organisations. We will be exploring alternative trading models, which will maintain and may further improve services in terms of their efficiency, effectiveness and their ability to grow and generate income, which will be crucial for their long-term sustainability.

The Council also needs to consider how its future procurement approaches and contract management requirements can encourage community groups to come forward and take on services. For example, alternative methodologies for assessing financial standing and staff experience will be critical. Similarly, production of a social value toolkit to aid procurers in implementing the Public Services (Social Value) Act is extremely important since community groups will often be operating as social enterprises, reinvesting surpluses and resources into their local communities and thereby demonstrating significant added social value.

One of the main objectives of the White Paper on Open Public Services is to decentralise and implement more local power over services. The Council's new Area Governance arrangements are introducing community budgets more extensively and are aimed at:

- Ensuring people of all ages have a greater involvement in designing services
- Helping local communities shape the decisions and services in their neighbourhood
- Establishing new models of delivering services guided by local choice and need

The 6 Area Councils will set area priorities, grow community capacity by commissioning local services and volunteering, and will manage performance locally. The 21 Wards that feed into the Area Councils will determine ward priorities through local consultation, will develop and facilitate community activity and will manage the 'changed relationship' with local communities.

In order to support the area governance arrangements, the Council's procurement service will establish key principles for area based procurement, a strategy for dealing with community groups and co-production ventures, protocols and documentation to ensure compliance with the Council's Contract Procedure Rules and EU Procurement legislation where applicable, whilst maximising local provision, social value, and co-production.

A strategic approach to commissioning and procurement will be adopted that is clear about priorities and intended outcomes, that address local needs, and which is underpinned by the on-going assessment and analysis of the needs of our communities.

Procurement will support capacity building and sustainability of the local third sector and small businesses, to ensure equal opportunity to participate in procurement, win tenders, and retain contracts in future. It also needs to look at ways of removing barriers to competition so that the best providers have every opportunity to provide cost effective services for the Council.

Procurement will assess social inclusion and evaluate the level of social capital providers can deliver as part of the procurement decision-making process, using the Council's social value toolkit.

Contract management initiatives will ensure that 'live' contracts are subject to rigorous and on-going review to make sure agreed outcomes are being achieved.

Service improvement will be achieved by being innovative, and by integrating and developing services to improve quality and value for money. New technology will be exploited to introduce new services and transform old ones.

Equality Act 2010 – Meeting the Public Sector Equality Duty (PSED): Equality and Diversity will continue to be promoted in all our category spend plans, by monitoring suppliers and implementing Equality Impact Assessments to ensure that services meet the needs of service users and Barnsley. The Equality Act sets out anti-discrimination law in the UK. It identifies 'protected characteristics', age, disability, gender reassignment, race, religion or belief, sex, sexual orientation, pregnancy and maternity and marriage and civil partnerships.

The Act sets out the public sector equality duty (PSED) which applies to most public authorities in England, including local authorities. It also applies to organisations carrying out a public function (such as companies or organisations that have been contracted to carry out public functions on behalf of a public authority).

The PSED requires public authorities to have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not; and
- foster good relations between people

The Council has adopted three broad equality objectives for our Procurement Strategy which help us to fulfil our PSED. These are:

- **Supplier Diversity** - To ensure that the suppliers of goods and services to the Council reflect the diverse nature of the local business and third sector community by making the procurement process inclusive and accessible to all.
- **Equality in Practice** - To ensure that all suppliers meet minimum equality standards in terms of their employment practice and service delivery through contract requirements and monitoring processes.
- **Procuring Equality Outcomes** - To use the procurement process to deliver the Council's equality objectives and to monitor their impact on the diverse communities in Barnsley.

The Equality and Human Rights Commission has recently published guidance on mainstreaming equality considerations in procurement. The guidance is intended to support councils in complying with the law in a proportionate and cost effective way. It explains how incorporating equalities objectives in commissioning and procurement exercises can help buy better outcomes for different service users, achieve value for money, and help meet corporate objectives.

The Council will make sure it gives full consideration to this guidance when developing and implementing this Procurement Strategy and the Action Plan.

HOW WE WILL MEASURE PROGRESS

Performance of the Council's procurement function will be measured and benchmarked against that of other organisations and local authorities across the region using the Regional Strategic Procurement Group (RSPG) Performance and Benchmarking regime. The RSPG Procurement Key Performance Indicators are listed below, and performance will be reported annually.

E1 (a)	Cost of procurement as a % of organisational running costs
E1(b)	Cost of procurement as a % of third party spend
E2	Average invoice value
E3	% of spend through collaborative arrangements
PM1	% of spend through third party established contracts
PM2	% of spend categorised, understood and reported
PM3	% of third party spend via structured category and contract management
PM4	Management of best practice indicators (not as a benchmark but a health check)
PM5	Professionally qualified procurement FTE's as a % of total procurement FTE's
PM6	% of third party spend directly controlled or indirectly influenced by procurement
VA1	% of spend through SME's
VA2	% of spend via local suppliers – based within Barnsley postcode area
	% of spend via local suppliers where head office is not within Barnsley but the contract employs local people
VA3	% of local suppliers securing Barnsley MBC contracts that have increased their workforce or safeguarded jobs
VA4	% of local suppliers securing Barnsley MBC contracts that have recruited apprentices
VA5	Total annual number of new jobs created, apprentices recruited or jobs saved by local suppliers securing Barnsley MBC contracts
VA6	Total third party savings as a % of total third party spend

THE PROCUREMENT ACTION PLAN

Deliver Value for Money, Efficiencies and Savings

- Develop and deploy a category management toolkit
- Introduce category plans for key categories
- Deploy use of ProSpend analysis tool across key category management areas
- Use spend intelligence to target cost reduction activity
- Develop and embed a contract management toolkit
- Target discretionary spend for demand management savings
- Develop corporate methodology for calculating and reporting of procurement savings
- Produce annual procurement plans and targets for procurement savings, and align them with the budget process
- Produce Annual Efficiency Summary showing savings achieved through procurement and contract management
- Collaborate where possible to secure economies of scale and reduce procurement costs
- Use guaranteed (committed) spend to drive better pricing
- Mainstream the use of e-Auctions where appropriate
- Work closely with YPO/PRO5 to help develop their activities and offerings and improve the number and standard of regionally/nationally accessible frameworks.
- Promote use of existing and new frameworks
- Participate in RSPG Procurement Benchmarking initiative

Support Growth in the Economy:

- Further develop and promote www.enterprisingbarnsley.co.uk as a portal for doing business in Barnsley
- Expand the use of Dynamic Purchasing Systems to improve access to SME's and VCO's
- Expand the use of Approved Lists for smaller value, regular procurements
- Monitor and target improvement in local spend and VCO/SME spend levels through spend analysis capability
- Develop a social value toolkit to promote improvements in the economic, social and environmental well-being of the Borough, including increasing skills and apprenticeships on appropriate contracts
- Establish Council policy for use of Pre-Qualification Questionnaires
- Develop financial appraisal risk assessment matrix
- Monitor requests to relax insurance provisions and consider the need to develop an insurance provisions risk assessment matrix
- Identify alternative methods for new companies to demonstrate competence, experience, track record and provision of client references
- Develop standard protocols, forms and wording to ensure the inclusion of local companies on tender lists

- Utilise YORtender historic tender performance reporting to inform programmes for local company capacity building and tender readiness
- Use Forward Plan of Procurement to inform local supplier development programmes
 - Deploy training programme for local supplier on demonstrating social value in tenders
 - Incorporate the principles of the Government's Prompt Payment Code into tender and contract documentation

Improve Environmental Sustainability:

- Update the Sustainable Procurement Policy
- Implement the Barnsley Timber Procurement Policy and associated model specification clauses/contract conditions
- Review the Council's Carbon Management Plan and develop a procurement Plan of Action
- Review the Council's Carbon Management Plan with existing strategic suppliers and agree actions to support achievement of targets
- Develop a Sustainability Framework and a template for Sustainability Impact Assessments
- Incorporate "green products" in purchasing catalogues
- Introduce a toolkit for whole life costing
- Organise sustainable procurement training for relevant officers
- Progress Council Fair Trade policy

Build Strong Governance

- Support implementation of new Contract Procedure Rules
- Update protocols and procedures on Council's Procurement Intranet and produce additional guidance notes and training
- Launch the Council's new Strategic Procurement Group
- Complete the Procurement Competency Framework
- Establish and launch training programme for officers and members responsible for procurement
- Establish and launch training programme for key category managers
- Update Council's standard purchasing terms and conditions and develop guidance for use by staff
- Assemble and upload onto procurement intranet all standard industry terms and conditions
- Develop alternative contract terms and conditions where BMBC/available industry standards are not appropriate

Put Benefits for Citizens and Local Communities at the Heart of Everything We Do

- Develop toolkit for area based commissioning and procurement
- Support the development of alternative organisational forms for delivery of public services, including alternative trading models
- Train procurement staff on commissioning and deploy Council's Commissioning Toolkit across procurement
- Raise awareness amongst procurers and Council partner organisations/suppliers of the status of Moorland Plastics as an in-house provider, and develop action plan to support the business sustainability plan.

Supporting Documentation:

Procurement Policy – Appendix A

Sustainable Procurement Policy – Appendix B

Strategic Procurement Group Terms of Reference – Appendix C

Timber Procurement Policy - Appendix D

Contract Procedure Rules

Contracts Register

Doing Business with Barnsley – Suppliers Guide

Working Together: A Compact for Barnsley

APPENDIX A

PROCUREMENT POLICY

The key aims of the Council are:

- To deliver value for money, efficiencies and savings
- To support growth in the economy
- To improve sustainability
- Build strong governance
- Put citizens and the local communities at the heart of everything we do

It is the procurement policy of the Council to:

- Undertake the procurement of all goods, services and works with openness, transparency and fairness and in accordance with our Contract Procedure Rules and Financial Regulations and in compliance with UK and EU Regulations.
- Use corporate contracts.
- Use consortia and national contracts where advantageous.
- Collaborate with other public bodies for our procurement where efficiencies can be made.
- Use our e-tendering system for all procurement with a value of over £2,500
- Be transparent in all our procurement without breaching supplier confidentiality.
- Publish a contracts register on the Council's website detailing all quotations/contracts with a total value over £2,500.
- Let suppliers know of our future procurement activity by publishing an annual forthcoming plan of all known tenders over £100,000.
- Use competition including the use of soft market testing to drive efficiencies and improvements in the market place.
- Manage all procurement related risks in accordance with the Council's risk management strategy.

Consider the impact of all our procurement on the environment (see sustainable procurement policy at Appendix B).

- Ensure environmental impact assessments are undertaken on all appropriate procurement exercises, and as a minimum for all tenders with a total value over £100,000.
- Include social, environmental and economic considerations in our tender documentation
- Use whole life costing in our tender evaluations
- Ensure our contracts promote equality and diversity with equality impact assessments for all appropriate quotations/tenders.
- Encourage local suppliers to tender for our work by actively engaging with local business around our spend plans, support with the development of procurement and tendering skills and where possible including local suppliers on our quotation/tender lists.
- Use the Social Value Toolkit to maximise social value from all procurement activities
- Ensure all staff involved in procurement have the appropriate training, skills and awareness of procurement regulations/policies/procedures.
- Be proactive in the management of all contracts.
- Keep up to date with best practice in procurement and communicate to all relevant parties.
- Ensure all timber and wood-derived products are purchased from known, legal and independently certified sources.
- Become and remain signatories to the 'Prompt Payment Code'
-

APPENDIX B

SUSTAINABLE PROCUREMENT POLICY

Barnsley Council recognises it has an implicit role in furthering sustainable development through its procurement of buildings, goods and services.

Historically, the Council has spent in the region of £200 million in capital a year on procurement and it recognises the potential impact this spend has on the environment.

This policy aims to ensure Barnsley Council's employees, contractors and suppliers are aware of the Council's commitment to long-term social, ethical, environmental and economic sustainability by:

Raising Awareness:

- Educate, train and encourage our workforce to review their consumption of goods/works/services, reduce usage and adopt more environmentally friendly alternative products
- Train all procurement staff on sustainability considerations
- Communicate the sustainable procurement policy to our workforce, suppliers and stakeholders

Policy & Strategy:

- Consider the whole life costs and benefits of environmentally preferable goods/works/services as alternatives
- Maximise the use of recycled products and products derived from reclaimed materials
- Commit to continually improving the sustainable performance of our supply chain
- Implement the Council's Timber Procurement Policy
- Pursue a Fair trade policy

Procurement Process:

- Promote best practice sustainable procurement
- Evaluate suppliers' environmental credentials, as far as legally permissible, and ensure environmental criteria are used in the award of appropriate contracts
- Produce specifications that allow suppliers to offer environmentally friendly alternatives
- Where possible, specify environmentally friendly products and services (where value for money can be shown through whole life cost appraisals), for example DEFRA "Quick Win" specifications
- Ensure key suppliers assist the Council in reducing its carbon impact

Supply Chain:

- Educate our suppliers regarding the Council's sustainability objectives
- Improve access for Small and Medium Sized Enterprises (SME's) and local suppliers and encourage them to bid for the Council's business
- Work with key suppliers to extend sustainability credentials throughout the supply chain
- Maximise opportunities for employment and economic gain within the community of Barnsley.

Measurements and Results:

- Achieve the Council's carbon reduction targets

APPENDIX C

STRATEGIC PROCUREMENT GROUP – TERMS OF REFERENCE

1. Implement a One Council approach to procurement and contract management
2. Deliver the Procurement Strategy, including the development and delivery of an Annual Procurement Action Plan
3. Act as a source of expertise and take responsibility to determine, implement and actively promote best practice in procurement and contract management with the aim of driving continuous improvement throughout the Council.
4. Keep under review and advise the Council on changes required to:
 - a. The Procurement Strategy and Policy
 - b. The Contract Procedure Rules
 - c. The Financial Regulations (in so far as they relate to procurement matters)
 - d. Terms of Reference and Delegations
5. Develop and be responsible for a Forward Procurement Plan
6. Keep Members informed of procurement matters as required, to include:
 - a. The Executive Portfolio Holder with responsibility for procurement
 - b. The Senior Management Team
7. Provide corporate guidance on legal, financial, commercial and policy issues affecting procurement.
8. Consider the implications of new legislation, European and Government guidance, and other best practice guidance, as it relates to procurement and contract management matters, and determine the approach to be taken by the Council to reflect these matters in processes and priorities.
9. Develop, keep under review, and amend as necessary:
 - a. The Procurement Manual -
 - b. The Procurement intranet pages
 - c. The Procurement internet pages

10. Raise awareness and ensure access to appropriate training and development for staff, including the development of courses and e-learning packages as appropriate.
11. Consider acquisition and use of appropriate and efficient ICT systems to support procurement activity.

APPENDIX D

TIMBER PROCUREMENT POLICY

It is the policy of Barnsley Council that all timber and wood-derived products are purchased from known, legal and independently certified sources.

As a Council, we recognise that forests are essential for human survival and well-being. They are among the most bio diverse and valuable ecosystems on the planet with an estimated 1.6 billion people worldwide believed to rely directly on forests for their day-to-day livelihoods. Promoting ways to use forest bio diversity in a sustainable way and with clear social and economic benefits for the poor is important.

This policy recognises the responsibility of this local authority as a consumer of forest products to ensure that we have a neutral if not positive effect on the world's forests.

Forest certification provides evidence of sustainable forest management. At present less than 10% of the world's forests are certified. This Council will give preference to timber and timber products that have been independently certified by a credible, globally applicable forest certification scheme such as PEFC and FSC and can demonstrate that the products are derived from well-managed sources.

All our suppliers will be required to demonstrate compliance with this policy and to produce the appropriate supporting evidence.

Under this policy we will:

- Require timber and wood derived products to originate from forests which are independently certified by a credible, globally applicable forest certification scheme such as PEFC and FSC and can demonstrate that the products are derived from well managed sources. (This meets the requirements of the UK Government Timber Procurement Policy: Criteria for Evaluating Category A Evidence)
- Accept other documentary evidence that the source is sustainable (This meets the requirements of the Government Procurement Timber Policy: Framework for evaluating Category B evidence as set out in the document titles)
- Accept Forest Law Enforcement Governance and Trade licensed timber (FLEGT) (until 1 April 2015)
- Incorporate appropriate specifications and contract conditions into all tenders for wood or wood derived products.
- Use recycled wood (as defined by the Government definition of 'recycled')

- Train all those involved in procurement in the importance of sustainable timber procurement.
- Bring this policy to the attention of our supply chain and encourage and engage suppliers in its implantation.
- Monitor the number of contracts which conform to this policy

Exemptions to Policy

Short-rotation coppice is a specific management regime whereby the poles of trees are cut every one to two years and which is aimed producing biomass for energy.

This is exempt from the UK government timber policy and falls under agricultural regulation and supervision rather than forestry. Conventional coppice is forest management and therefore subject to the timber policy.