ANGUS COUNCIL
PROCUREMENT STRATEGY
2018/19

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Section 15 of the **Procurement Reform (Scotland) Act 2014** requires any public organisation, which has an estimated total value of regulated procurement spend of £5 million or more (excluding VAT) in a financial year, to prepare and publish a procurement strategy. The period the procurement strategy covers can be defined by the organisation e.g. 3 years, 5 years, etc.

Where an organisation has an existing procurement strategy, there will be no requirement for it to prepare a completely new procurement strategy each year. An organisation must, however, review its procurement strategy annually and make such revisions as it considers appropriate for the purposes of the Act.

This Procurement Strategy sets out the strategic aims, objectives and key priorities of Angus Council for its procurement for 2018/19. It is drawn from a review of the Council’s Procurement Strategy 2017/18.

The Council’s procurement aims and objectives reflect both national and local policies and our aim is to build on the devolved procurement model already in place in Angus Council, through commitment to continuous improvement and a focus on:-

- procurement capability development;
- maximising efficiencies through procurement;
- development of collaborative opportunities; and
- fulfilment of sustainable procurement duties.

This focus will directly impact on our ambition to transform Angus and improve the community we serve, by ensuring that sustainability in our procurement remains a priority and that all procurement activities contribute to the carrying out of the Council’s functions and realisation of its strategic objectives, while achieving best value and complying with statutory and regulatory duties.

The achievement of best value is reliant on a clear Procurement Strategy, aligned to the delivery of services which promotes an integrated approach across the organisation.

In order to deliver the required outcomes of this Strategy there remains a need to implement changes and improvements to our ways of working and ensure that close partnerships exist within the Council and beyond.

Commitment and communication of this Strategy are key steps on the road to embracing best practice, achieving procurement effectiveness and delivering improved outcomes for the residents and wider community of Angus.

This Procurement Strategy for 2018/19 reflects the outcome of a review of the 2017/18 Procurement Strategy carried out through the Procurement Annual Report 2017/18 on an incremental basis rather than fundamental at this point in development of the Council’s procurement strategy.
Procurement is a subject with a technical language. Although the Procurement Strategy has been written with plain English in mind, a Glossary of terms is included as an Annex to the Annual Procurement Report 2017/18 (published alongside this revised Strategy).
2. Background

2.1 Alignment with Tayside Procurement Consortium

Since 2008, Angus Council has been a part of the Tayside Procurement Consortium (TPC) which was established as a shared services initiative to deliver procurement reform for the three Tayside Councils of Angus, Dundee City and Perth and Kinross.

The work of TPC is driven by a procurement strategy, agreed by each of the constituent Councils. The TPC procurement strategy pulls together the latest government initiatives and reflects, at a high level, the local Tayside priorities developed in line with the principles of the strategic direction of the three Councils' Community Plans. The TPC model works effectively and the high level vision, strategic priorities and procurement principles set out in the TPC strategic plan for 2015-2020 are fully supported by the Council.

However, in view of the increasingly important role that strategic procurement plays in enabling each Council to deliver local economic, environmental and social benefits, it is now appropriate for the Council to develop its own specific procurement strategy to reflect the changes that the Council must make to the way in which it carries out its procurement activities. The Angus Council Procurement Strategy will align to the TPC strategy and will provide a framework for ensuring that procurement activities are more closely linked to the Council’s corporate priorities, that continuous improvement is achieved across all procurement activities, and that efficiencies to help the front line services are secured in a sustainable way.

It should also be noted that the 3 Councils and Tayside Contracts have embarked on delivery of a full shared procurement service for the Tayside councils, effectively taking TPC to its logical conclusion. Procurement and Commissioning is one of 10 areas of joint activity being looked at by the 3 Councils in Tayside and Tayside Contracts and it has reached a full business case stage. That full business case was considered by the Joint Executives group for the Tayside Councils on Tuesday 12th December and approved. It is important to highlight that the focus of the proposal is not about reducing procurement headcount but rather about doing more with the combined resource. The “do things right, once” approach will enable us to eliminate duplication, focussing on delivering an efficient and customer friendly operational procurement service and, most importantly, on developing a much more strategically focused procurement service to support the high spend/high risk areas.

Agreement has been reached to develop a detailed implementation plan. This work will progress during 2018/19 and, it’s expected, into 2019/20. This transformational programme does not feature in the current year’s Angus Council procurement strategy because it is being addressed on a joint basis. However, it should be said that, for the avoidance of any doubt, there is nothing in the Angus Council Procurement Strategy 2018/19 which is a barrier to delivery of the Tayside shared procurement service proposal (on the contrary). It is expected that delivery of the Tayside shared procurement service will become a feature in future Angus Council procurement strategy (which is one of the reasons why the timeframe of this strategy is being kept at one year at this time).
2.2 Financial Context

The Council’s most recent Medium Term Financial Strategy projections indicated that there would be ongoing significant General Fund revenue budget gaps to be addressed.

Managing this position to minimise the impact on services and respond to new and changing demands requires the Council to raise its ambitions and strive to continually improve on the delivery of services and a role for procurement activity to assist in addressing this.

Angus Council’s annual procurement spend is in the region of £115M per annum. Annex 1 to this Strategy provides a breakdown of how that spend is made up by category and by service.

2.3 Legislative Context

The procurement landscape in Scotland has also changed dramatically since the last procurement strategy was published. With the impact of new suite of procurement legislation introduced in 2016 (the Public Contracts (Scotland) Regulations 2015, the Procurement Reform (Scotland) Act 2014 and the Procurement (Scotland) Regulations 2016), coupled with the financial and economic pressures the Council faces, the support of a well organised resourced procurement function, assisting Services in achieving best value, while adopting and implementing the legislation that governs public procurement is highly important.
3. Strategic Aims, Objectives & Key Priorities

3.1 Context

This Section of the Procurement Strategy sets out how the Council’s procurement will:

- contribute to the carrying out of its functions and the achievement of its purposes (para 2.5.1 of the Guidance issued under the 2014 Act). This should include high level commercial targets and effective contract and supplier management.
- deliver value for money (a balance of cost, quality and sustainability) (para 2.5.2 of the guidance).
- be carried out in compliance with its duty to treat relevant economic operators equally and without discrimination (para 2.5.3 of the guidance).
- be undertaken in compliance with its duty to act in a transparent and proportionate manner (2.5.4).
- comply with the sustainable procurement duty (2.5.5)

3.2 Links to Angus Council Strategy & Objectives

The Council had set out local outcomes and priority areas within the Angus Council Plan 2014-17 and which aligned to strategic procurement objectives set out in the Angus Council Procurement Strategy 2017/18.

Angus has since developed the **Angus Local Outcomes Improvement Plan 2017 - 2030**, a copy of which is available at this link:


This sets out the following for Angus Council (in line with its community partners):

<table>
<thead>
<tr>
<th>Our Vision</th>
<th>Angus is a great place to live, work and visit</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Our Priorities</strong></td>
<td>Tackling inequalities</td>
</tr>
<tr>
<td></td>
<td>Building services around people and communities</td>
</tr>
<tr>
<td></td>
<td>Focusing on prevention</td>
</tr>
<tr>
<td></td>
<td>Working together effectively</td>
</tr>
<tr>
<td><strong>Our Cross-Cutting Themes</strong></td>
<td>Economy</td>
</tr>
<tr>
<td></td>
<td>People</td>
</tr>
<tr>
<td></td>
<td>Place</td>
</tr>
<tr>
<td><strong>Our Local Outcomes</strong></td>
<td>an inclusive and sustainable economy</td>
</tr>
<tr>
<td></td>
<td>a reduced carbon footprint</td>
</tr>
<tr>
<td></td>
<td>attractive employment opportunities</td>
</tr>
<tr>
<td></td>
<td>more opportunities for people to achieve success</td>
</tr>
<tr>
<td></td>
<td>an enhanced, protected and enjoyed natural and built environment</td>
</tr>
<tr>
<td></td>
<td>the best start in life for children</td>
</tr>
<tr>
<td></td>
<td>safe, secure, vibrant and sustainable communities</td>
</tr>
</tbody>
</table>
The Council has also since approved an updated corporate strategy and this is now set out in terms of the **Angus Council Plan 2017- 2022**, a copy of which is available at this link: [http://www.angus.gov.uk/sites/angus-cms/files/2017-09/276_App1.pdf](http://www.angus.gov.uk/sites/angus-cms/files/2017-09/276_App1.pdf)

In summary, this sets out Angus Council’s corporate strategy for 2017-2022 as follows:

<table>
<thead>
<tr>
<th>Our vision</th>
<th>We want Angus Council to be better, stronger, more sustainable and smaller.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our purpose</td>
<td>Angus Council’s purpose is to improve the outcomes and opportunities for the people of Angus.</td>
</tr>
</tbody>
</table>
| Our priorities | **Economy**

We want Angus to be a ‘go to’ area for businesses.

To do this we will:

- engage with Angus businesses through a regular programme to understand their needs and develop our services appropriately;
- work across Angus Council to make it easier, quicker and better to do business and invest in Angus;
- work with partners to improve the physical and digital infrastructure required to support business growth.

**People**

We want to maximise inclusion and reduce inequalities.

To do this we will:

- intervene early to keep children and young people safe;
- provide educational and social experiences that stretch and challenge our young people;
- help our young people go to positive destinations - and sustain them - when they leave school;
- work with Angus Health and Social Care Partnership to meet the needs of vulnerable adults - and their carers.

**Place**

We want our communities to be strong, resilient and led by citizens.

To do this we will:

- support planning in localities to identify the needs of our communities;
- support and equip our citizens to deliver on their local aspirations;
- increase the supply of affordable housing and improve the Council’s housing stock.

**Council**

We want Angus Council to be efficient and effective.

To do this we will:

- focus on the needs of our customers;
- be efficient and effective in meeting identified needs;
- deliver our Change Programme.

<table>
<thead>
<tr>
<th>Our values</th>
<th>We will continuously seek to improve our services. We will act with honesty and integrity at all times. We will act responsibly and will be accountable for our actions.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>We will do what we say and do it well. We will acknowledge when we get things wrong. We will promote equity and tackle discrimination and disadvantage.</td>
</tr>
</tbody>
</table>
In order to support delivery of the Council’s vision and priorities and grouping the required coverage areas of the Procurement Strategy into coherent themes linked to the Council’s vision and priorities, the Procurement Strategy sets out 4 Key Objectives:

1. **Procurement Capability Development**
2. **Maximising Efficiencies through Procurement**
3. **Development of Collaborative Opportunities**
4. **Fulfilment of Sustainable Procurement Duties**

These Key Objectives contribute to the following local outcomes contained within the Angus Local Outcomes Improvement Plan 2017/30 and related Locality Plans:

- **Local Outcome 1** - We have a sustainable economy with good employment opportunities
- **Local Outcome 10** - Our Communities are developed in a sustainable manner

They also contribute to the following priorities contained in the Angus Council Plan 2017/22:

- We want Angus to be a ‘go to’ area for businesses
- We want Angus Council to efficient and effective

These Key Objectives are expanded on below with an explanation of how these will be met and the outcomes expected from achievement of these ambitions.

### 3.3 Key Objective 1 - Procurement Capability Development

**Ambitions**

1. To use the knowledge and skills of our staff, in order to embed a more strategic and commercial approach into all of the Council’s functions and purposes.
2. To ensure that all procurement activities are undertaken in a consistent, robust, transparent and accountable manner, in accordance with all relevant governance.
3. To keep the Council up to date with the latest developments in the wider procurement environment and maintain an awareness of current cross-functional procurement practices.
4. To strive for continuous improvement in procurement, as measured by the Scottish Government’s Procurement and Commercial Improvement Programme (PCIP).

**How those ambitions will be met**

1. By delivering appropriate training to staff where required, while nurturing and developing opportunities for integration and partnership between Strategic Procurement and other Services.
2. By working together with the Council’s Legal Services in adapting our internal procedures, processes and documentation to reflect the changes brought about by the implementation of the Procurement Reform (Scotland) Act 2014, The Public Contracts (Scotland) Regulations 2015 and The Procurement (Scotland) Regulations 2016.
3. Through continued adherence to the EU principles of equal treatment, non-discrimination, proportionality, transparency and mutual recognition while promoting equality by tackling discrimination and disadvantage and by working collaboratively with Tayside Procurement Consortium Scottish Procurement, Scotland Excel, the Crown Commercial Service and other local authorities or Public Sector organisations, to share knowledge and benchmark our performance.

4. Through continued participation in the PCIP assessment scheme the Council will identify, develop and implement best practice in procurement on an ongoing basis and gain a clear understanding of what is required to allow the Council to continue on an upward curve of procurement development. In this regard Angus Council’s first assessment is scheduled for May 23rd 2017.

**Outcomes expected**

1. Added value in all new procurement exercises and additional benefits through better management of existing contracts.

2. Compliance with statutory and regulatory requirements and mitigation of the risk of legal challenge.

3. Strategic Procurement is able to offer innovative procurement solutions.

4. To use our Procurement and Commercial Improvement Programme score as a base score to enable us to focus on areas for further improvement and to be fully prepared for PCIP assessment.

**Priority**

From the review of the Angus Council Procurement Strategy 2017/18 carried out through the Procurement Annual Report 2017/18, it has been identified that this objective should be a priority for the Council’s procurement function in 2018/19. An action plan should be developed identifying the actions required to achieve this key objective.

**3.4 Key Objective 2 - Maximising Efficiencies through Procurement**

**Ambitions**

1. To ensure that appropriate contracts are in place for all of the Council’s requirements and that these deliver Best Value.

2. To facilitate the modernisation of business processes across the Council through the implementation and development of electronic procurement solutions.

3. To utilise Management Information (MI) effectively ensuring that procurement operates according to our core set of indicators and measures for best practice.

4. To identify cost saving opportunities.

5. To support Services in the identification and delivery of cost savings.
6. To realise financial and efficiency savings in the successful procurement of contracts, through proactive Contract and Supplier Management.

**How those ambitions will be met**

1. Through proactive integration and influence of Strategic Procurement, throughout all Directorates and Services, allowing for a strategic analysis of all relevant considerations to be made, when client requirements are met and contracts are put in place or renewed.

2. Through the use of new and existing electronic procurement systems in both the advertisement of opportunities and throughout the purchase process in the delivery of services.

3. Through the maintenance and publication of information, from various performance management systems, to monitor progress against targets on efficiency, capability, collaboration, compliance and savings.

4. Through the development of contract strategies in **advance** of procurement activities, to identify where savings can be made.

5. Through the early engagement of all stakeholders to aid in the re-design of services and the investigation into more innovative sourcing solutions and effective commercial evaluation models, with a focus on process efficiency and cost reduction. Consulting with Services on defining the criteria required to be able to determine the most economically advantageous tender, using an appropriate combination of cost and quality elements.

6. Through continual engagement with contracted suppliers developing a formalised system of monitoring performance against contractual requirements at tender stage, to ensure the successful delivery of services and allow for a focus on the development of initiatives and innovations to help improve the procurement of these services in the future.

**Outcomes expected**

1. Compliance with the Council’s Standing Orders Relating to Contracts and Procurement Journey resulting in a reduction in non-contracted or “maverick” spend.

2. Achievement of targeted procurement cost savings.

3. Measurable and demonstrable improvements in the correct use of the electronic procurement systems available to the Council.

4. Embedded forward procurement planning within directorates

5. Continuous improvements evidenced against Service Improvement Plan key actions and towards the Scottish Government’s annual Procurement and Commercial Improvement Programme.

6. Developed contract management

**Priority**

From the review of the Angus Council Procurement Strategy 2017/18 carried out through the Procurement Annual Report 2017/18, it has been identified that this
objective should also be a priority for the Council’s procurement function in 2018/19. An action plan should be developed identifying the actions required to achieve this key objective.

### 3.5 Key Objective 3 - Development of Collaborative Opportunities

**Ambitions**

1. To identify and actively participate in all appropriate collaborative opportunities
2. To prepare forward plans to share with TPC and wider public sector to maximise collaborative opportunities.
3. To improve on the level and methods of communication with all internal and external stakeholders.

**How those ambitions will be met**

1. Through identification of opportunities to aggregate spend and requirements, an increase in cooperation through TPC and a proactive involvement with national procurement groups and forums where appropriate
2. Through an increase in engagement with Services, suppliers, local businesses, during the development stage of projects, ensure that all opinion and feedback is recorded and considered during contract execution.
3. By continually reviewing what, how and when we report on our procurement activities to Services, corporate management, elected members, suppliers and the wider public, while ensuring that all necessary information is published to help support Procurement Strategy objectives.

**Outcomes expected**

1. Achievement of mutually beneficial results with our collaborative partners including economies of scale, a reduction in administration and the sharing of procurement best practices
2. Continuous improvement in the Council’s procurement processes and practices, influenced by PCIP/ Internal feedback/Supplier feedback
3. A procurement strategy that is fully aligned with the Council’s overall ambition and vision that can be implemented as intended.

**Review / Priority**

From the review of the Angus Council Procurement Strategy 2017/18 carried out through the Procurement Annual Report 2017/18, it has been identified that while this objective will continue to be met and advanced, it should be a lower priority for the Council’s procurement function in 2018/19. At the same time, particularly in light of the developing Tayside shared procurement service proposal, there is no reason why collaborative opportunities should not continue to be grasped during 2018/19, particularly where they offer efficiency benefit and/or enhance our procurement capability in line with Key Objectives 1 and 2.
3.6 Key Objective 4 – Fulfilment of Sustainable Procurement Duties

Ambitions

1. To achieve improved standards of sustainable procurement throughout the Council, in accordance with the duties set out within the Procurement Reform (Scotland Act) 2014.
2. To develop established methods of evaluation and recording of community benefits in the execution of individual contracts.
3. To continue to support and improve access to procurement opportunities for SMEs, including local businesses, Third Sector Bodies and Supported Businesses.
4. To work in partnership with all Services, in line with the Council Plan, to ensure that we improve the way that we work as a Council in delivering services which benefit the area and communities we operate in.

How those ambitions will be met

1. Through use of the Scottish Government’s Sustainability Test tool, during the development of individual contract strategies, to identify where relevant and proportionate sustainability requirements can be embedded, including support for the Living Wage, during the development of contract specifications and tracking these during delivery of services through management information (MI), Contract and Supplier Management.

2. Continuing to follow the Scottish Government’s Sustainable Procurement Action Plan, in conjunction with statutory guidance, while updating our progress against sustainability targets using the Flexible Framework self-assessment tool (FFSAT).

3. Through Procurement’s influence over Services to suggest how bespoke and relevant Community Benefits can be achieved in all procurement exercises over the stipulated thresholds with an increased focus on the recording and management of Community Benefits delivered using our Community Benefits register to promote and publicise benefits received as a result of procurement activity. The use of voluntary Community Benefits will also form part of ongoing Contract and Supplier Management processes.

4. Through early consideration, either at contract strategy stage or through our knowledge of forthcoming collaborative opportunities (local or national), on how SMEs, local businesses, Third Sector Bodies and Supported Businesses can be made aware of public procurement activity, while promoting established business support initiatives such as the Supplier Development Programme.

Outcomes expected

1. Compliance with the Sustainable Procurement Duty of the Procurement Reform (Scotland) Act 2014, which requires that the Council makes every effort to improve the area in which it operates.
2. Measurable and demonstrable social, economic and environmental benefits to Angus communities from the effect of sustainable procurement activity.

3. Increased contracts with community benefits included.

4. Removal of any barriers, real or perceived, which hinder SMEs, Third Sector Bodies and Supported Businesses to take advantage of business opportunities within Angus or the wider Public Sector.

**Review / Priority**

From the review of the Angus Council Procurement Strategy 2017/18 carried out through the Procurement Annual Report 2017/18, like Key Objective 3, it has been identified that while this objective will continue to be met and advanced, its development in terms of Angus Council procurement delivery should be a lower priority for the Council’s procurement function in 2018/19.

Again though, there is no reason why sustainable procurement should not offer efficiency benefit and/or enhance our procurement capability in line with Key Objectives 1 and 2 (on the contrary) so sustainable procurement will continue to be delivered as a priority.
4. Governance, Legislation & Best Practice

This Section includes statements of the Council’s general policy on:

- the use of community benefit requirements (para 2.5.6 of the Guidance issued by Scottish government under the 2014 Act)
- consulting and engaging with those affected by its procurements (para 2.5.7)
- the payment of a Living Wage to persons involved in producing, providing or constructing the subject matter of regulated procurements (para 2.5.8)
- promoting compliance by contractors and sub-contractors with the Health & Safety at Work, etc. Act 1974 and any provision made under that Act (para 2.5.9)
- the procurement of fairly and ethically traded goods and services (para 2.5.10)
- how it intends its approach to regulated procurements involving the provision of food to: improve the health, wellbeing and education of communities in the organisation’s area; and promote the highest standards of animal welfare (if applicable) (para 2.5.11)
- other relevant procurement matters, e.g. good governance arrangements.

4.1 Internal Governance Arrangements

The delivery of this Procurement Strategy will ensure that the Council’s regulated procurements adhere to the mandatory requirements as set out in Section 15(5) of the Procurement Reform (Scotland) Act 2014.

In adhering to these mandatory requirements the Council relies on the following Procedures, Policies and Procurement Tools being in place to support its procurement activities.

As a contracting authority, Angus Council is responsible for establishing arrangements for ensuring the proper conduct of organisational business, including conformance to standards of good governance and accountability with regard to procurement.

To ensure Procurement Strategy Key Objectives are delivered effectively, there will remain a continuing need to recognise the requirement for and execution of an appropriate Council governance framework.

The presence of this framework will enable Key Objectives to be achieved through a decision making process which ensures required authorisation and appropriate delegations and approvals are in place.

In adhering to this governance framework, the Council ensures that, in line with this Procurement Strategy, these procurements will be undertaken in compliance with its duty to act in a transparent and proportionate manner.
In maintaining this governance framework, the Council will ensure that a continuing focus remains in relation to updating, and appropriately applying the following procedural governance documents:

### 4.2 Standing Orders Relating to Contracts

The Standing Orders Relating to Contracts are subject to the over-riding provisions of European Union, United Kingdom, or Scottish legislation. They are also subject to any EU Commission, UK Government or Scottish Government guidance on public procurement that may be issued from time to time.

The Council’s Standing Orders Relating to Contracts set out how contracts for all goods, services and works will be made by the Council. The purpose of these Standing Orders is to ensure that contracts are appropriate for their purpose, provide the right balance between price and quality, and are procured in an open way that demonstrates probity and compliance with the Council’s policies.

The Standing Orders are applied having regard always to the EU Treaty Principles of equal treatment, non-discrimination, proportionality and transparency. All Council employees are instructed to treat tenderers equally and without discrimination and act in a transparent and proportionate manner at all times.

The Standing Orders also set out the Council’s obligations in ensuring that the suppliers and service providers it contracts with comply with all statutory requirements in respect of ensuring equal opportunity in employment, under the provisions of the Equality Act 2010 and with all current Health and Safety legislation and approved Codes of Practice, as may be applicable to the contract. Promotion of this compliance is in line with the requirements of the Procurement Reform (Scotland Act) 2014.

These Standing Orders are set out in Section 16 of Financial Regulations (Procurement Arrangements).

[https://www.angus.gov.uk/media/financial_regulations](https://www.angus.gov.uk/media/financial_regulations)

### 4.3 Financial Regulations

The (rest of) the Council’s Financial Regulations set out the financial policies and the framework for managing the Council’s financial affairs.

They seek to ensure that the Council conducts its affairs in a way that complies with specific statutory provisions, generally accepted accounting procedures and professional good practice.

The Council’s Financial Regulations apply to every member and employee of the Council or anyone acting on its behalf. All members and employees have a general responsibility for taking reasonable action to provide for the security of assets under their control, and for ensuring that the use of these resources is legal, properly authorised, and provides best value.
4.4 Scheme of Delegation

The Scheme of Delegation is intended to facilitate the effective undertaking of Council business by clearly setting out the nature and extent of the powers delegated to officers by the Council, in order to ensure an efficient running of day to day operations and to allow the Council to carry out its functions and achieve its Strategic Objectives.

https://www.angus.gov.uk/media/scheme-delegation

To further ensure that the Council’s regulated procurements contribute to the carrying out of its functions and the achievement of its purposes, this Procurement Strategy, in line with its Key Objectives, will be delivered in accordance with the Council Plan, the individual Service and Improvement Plans and a set of national and local policies and strategies. These are embedded within existing procurement processes with outcomes measured against the Council’s core set of indicators and measures for best practice.

4.5 Statutory Guidance & Angus Procurement Policy

4.5.1 Sustainable Procurement Duty

The Council’s approach to sustainable procurement is rooted within the procurement process to promote a commitment to sustainability and achievement of Best Value for the Council. In an ongoing effort to embed sustainability issues in procurement exercises, three strands of sustainability should be explored at the contract strategy stage; environmental, social and economic factors along with a consideration on how the Council can facilitate the involvement of SMEs, third sector bodies and supported businesses in procurement exercises, as well as a promotion of innovation in the design and delivery of services.

This approach is in line with the Council’s sustainable procurement policy which is adopted into this Procurement Strategy and is available online:

https://www.angus.gov.uk/business/procurement/corporate_procurement_strategy_and_policy?item_id=29

4.5.2 Community Benefit Requirements

Angus Council has an effective community benefits policy which is available online:- https://www.angus.gov.uk/business/procurement/corporate_procurement_strategy_and_policy?item_id=33

In summary, it applies to construction procurement above £2M in value. Although it applies to other procurement above the EU threshold the strong focus for now is on construction procurement.

4.5.3 Payment of a Living Wage

The Council follows the lead of the Scottish Government by promoting the payment of the Living Wage to persons involved in fulfilling procurement requirements by considering, where relevant and proportionate, when Fair Working Practices should
Angus Council Procurement Strategy 2018/19

be addressed in contracting opportunities. The Council will comply with the Statutory Guidance on the Selection of Tenderers and Award of Contracts - Addressing Fair Work Practices, including the Living Wage, in Procurement, in line with the Council’s Procurement Strategy’s **Key Objective 1; Procurement Capability Development.**

**4.5.4 Procurement of Fairly and Ethically Traded Goods and Services**

In line with the Council’s Procurement Strategy **Key Objective 4; Fulfilment of Sustainable Procurement Duties** and where ethically traded goods and services are available, the Council will work with all relevant stakeholders and take a Best Value approach when applying fair and ethically trading principles in procurement activities. Angus Council also works closely with Fairtrade partnerships to promote Fairtrade products and explore the differences that choices on the procurement of these ethically traded goods can make to the lives of others.

**4.5.5 Procurement Tools**

Key tools that the Council has embedded into the procurement process, which help contribute to compliance with the mandatory requirements under the Procurement Reform (Scotland) Act 2014, are detailed below.

These tools are considered at the contract strategy stage of any contract, influencing the procurement where relevant and proportionate and, along with the procedures and policies outlined above, ensure that the Council’s regulated procurements deliver value for money.

**Procurement Journey**

The Scottish Government’s Procurement Journey - supports all levels of procurement activity and helps to manage the expectations of stakeholders and facilitate best practice and consistency across the Scottish Public Sector.

This is complemented in places by additional “local” guidance to sit alongside the Procurement Journey, e.g.

- PGN 23 Financial Regulations Guidance on “Major Procurement”
- PGN 24 Financial Regulations Guidance on “Price/Quality Split”; 70/30% price/quality split departure request form
- Full Guidance
- PGN 27 Disposal of Surplus Assets
(all internal links only).

**Sustainability Tools**

The Scottish Government’s “Sustainability Test” Tool - Designed to help embed relevant and proportionate sustainability requirements in the development of frameworks and contracts and is considered at the individual contract strategy stage of procurement activity and offers guidance on complying with all of the sustainable procurement duties set out in the Procurement Reform (Scotland Act) 2014.

The Scottish Government’s Sustainability Test Tool;

Community Benefit Tools
The Scottish Government’s Community Benefits in Public Procurement policy assists Procurement Officers in our ongoing ambition to embed Community Benefits into the procurement process where relevant and proportionate are realised.

Complementing the community benefits in procurement policy referred to above, Angus Council in partnership with Dundee City Council and Perth & Kinross Council has prepared an internal toolkit of community benefits guidance, clauses and documents.

This is set out in Procurement Guidance Note (PGN) 35 Community Benefits in Angus Council Procurement (internal link only).

Equalities in Procurement
To support Angus Council in meeting both its general equalities duties and its specific procurement equality duty, Angus Council has prepared an internal toolkit of procurement equalities guidance, clauses and documents.

This is set out in PGN 36 Equalities and Procurement (internal link only).

Ethical Standards
To support Angus Council officers and suppliers in meeting the Council’s expectations as regards ethical standards and claims of bribery and corruption, Angus Council has prepared a Bribery Act 2010 policy statement:-
https://www.angus.gov.uk/business/procurement/corporate_procurement_strategy_and_policy?item_id=30
supplemented by internal officer guidance:-
PGN 30 Guidance On The Bribery Act 2010 - What Does It Mean For You as a Council Purchaser? (internal link only).
Annex 1 – Angus Council Annual Procurement Spend

A: By Category

B: By Directorate /Service

<table>
<thead>
<tr>
<th>Directorate/Service</th>
<th>Annual Spend (£m, 2016/17)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Children &amp; Young People (incl. Criminal Justice) and AHSCP</td>
<td>£43.2</td>
<td>37.8%</td>
</tr>
<tr>
<td>Communities - Technical &amp; Property Services</td>
<td>£23.3</td>
<td>20.4%</td>
</tr>
<tr>
<td>Communities - Planning &amp; Place</td>
<td>£21.9</td>
<td>19.2%</td>
</tr>
<tr>
<td>Children &amp; Learning - Schools &amp; Learning</td>
<td>£14.9</td>
<td>13.0%</td>
</tr>
<tr>
<td>Chief Executive’s Unit</td>
<td>£2.6</td>
<td>2.3%</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>£1.9</td>
<td>1.7%</td>
</tr>
<tr>
<td>Resources - HR, IT &amp; Organisational Development</td>
<td>£1.9</td>
<td>1.6%</td>
</tr>
<tr>
<td>Communities - Regulatory &amp; Protective Services</td>
<td>£1.6</td>
<td>1.4%</td>
</tr>
<tr>
<td>Resources - Corporate Improvement &amp; Finance</td>
<td>£1.4</td>
<td>1.2%</td>
</tr>
<tr>
<td>Resources - Legal &amp; Democratic Services</td>
<td>£1.3</td>
<td>1.1%</td>
</tr>
<tr>
<td>Resources - Directorate</td>
<td>£0.2</td>
<td>0.2%</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>£114.3</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

Source: Scottish Procurement Information Hub

The information received is based on the previous financial structure of the Council and has been manipulated in the table above to fit into the current structure. As such the information cannot be guaranteed as 100% accurate per Service.