



**Causeway
Coast & Glens
Borough Council**

Procurement Policy

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Author	Procurement Officer
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Date Adopted by Council	
Date Policy Revised	

Executive Summary

The focus of this document is to promote best value procurement of goods and services throughout all areas of Causeway Coast and Glens Borough Council, while providing staff with an overview of the procurement process and some of the legal requirements involved.

The Procurement Process Table overleaf should be used as a reference guide for all procurement activity as it will quickly show what action is required to complete that procurement activity in a compliant manner. Please refer to the appropriate section of this policy for further information.

Signed: _____ Date: _____

Mayor

Causeway Coast and Glens Council

Signed: _____ Date: _____

Chief Executive

Causeway Coast and Glens Council

1. Background

Causeway Coast and Glens Borough Council (the Council) require goods, services, construction works and other supplies to efficiently meet the needs of the Council.

Procurement:

- is the process of obtaining or buying these goods, services, construction works and other supplies usually by means of a contractual arrangement after public competition to fulfil the strategic objectives of the Council;
- is a strategic process which follows a clearly defined method (i.e. applying effective and up-to-date procurement procedures and processes);
- includes the processing of a demand/requirement as well as the end receipt and spans the whole life cycle of the asset or service contract from initial conception and definition of the needs of the service through to the end of the useful life of an asset or the end of a contract which should generate benefits not only for the Council but also, to society and the economy whilst minimising damage to the environment; and
- seeks to achieve 'value for money' i.e., the most advantageous combination of cost (whole life cost), quality (meeting a specification which is fit for purpose and meets the Council's requirements) whilst maximising social value, minimising environmental impacts, and ensuring fair treatment throughout the supply chains (economic, social and environment benefits). Important quality criteria include efficiency, longevity, production methods and social value.

The award of grants is not included within the activity of procurement however, grant recipients are expected to apply the Council's Procurement Policy to their expenditure.

The Policy is based on the UK procurement principles of equal treatment, non-discrimination, proportionality and transparency. It has been prepared taking account of the NI Public Procurement Policy and current relevant UK and EU legislation. <https://www.legislation.gov.uk/ukxi/2015/102/contents/made>

2. Aim

The supporting Council Actions makes clear the commitment of the Council to direct and govern the way in which it does business. It also provides opportunity for further development and will enable the Council to respond to the changing public sector procurement environment and legislative requirements.

This Policy aims to support the delivery of those Actions in a consistent manner which makes the best use of available resources whilst achieving value for money and constantly

In order to ensure that the Procurement Policy is viable as well as meaningful, supporting both value for money and operational effectiveness, implementation of the Policy will be undertaken according to spend threshold (Section 12), category risk/opportunity and the market maturity of the contract in question as well as complying with Procurement Regulations, Best Practice Guidance and all relevant Council Policies.

3. Scope

The Policy is applicable to all employees (and agency workers) of the Council who have a role in procuring goods, services and construction works.

Consultants working on behalf of the Council who are involved in the procurement process must ensure their documentation complies with this Policy.

4. Objectives

By working in accordance with this Policy the Council aims to ensure that:

- (i) Goods, services, contract works and other supplies are properly procured to meet the needs of the Council;
- (ii) Value for money is achieved in the procurement process;
- (iii) The procurement process is high quality, clear, open and transparent;
- (iv) Compliance with relevant legislation and guidance is achieved;
- (v) Procurement Principles are defined;
- (vi) The procurement process is as straightforward as possible for the Council and potential suppliers and raises supplier awareness;
- (vii) There is consistency in approach which includes standard documented procurement procedures utilised by officers who have undertaken training on the Procurement Policy and Procedures;
- (viii) Responsible Procurement including sustainability and social value considerations in procurement activities is considered within procurement processes;
- (ix) Procurement is undertaken in a professional manner which seeks to share best practice and includes participation in the Local Government Procurement Group;
- (x) The processes focus on continuous improvement in terms of quality, effectiveness, and efficiency; identifies opportunities for collaborative working between Council departments and with other Councils; and which continually seeks to improve the way in which the Council's procurement function and processes operate.

These objectives are consistent with the shared values and principles which promote Openness, accountability, and transparency; equality, inclusivity, and diversity; sustainability, social value and continuous improvement.

5. Training

Staff throughout the Causeway Coast and Glens Borough Council will be made aware of this policy and given training (when appropriate) as to how this policy will apply to procurement exercises which, they undertake.

6. Policy Responsibility

The Chief Finance Officer has overall responsibility for the Procurement Policy. All employees are expected to follow this Policy and take the appropriate action to meet the aims and objectives.

7. Monitoring and Review

The Procurement Policy will, under normal circumstances, be reviewed every two to three years, and, from time to time, updates will be re-issued and circulated.

This policy will be monitored and reviewed through a series of measures. Reviews will be undertaken by the procurement manager, local government audit and internal audit.

However, the Policy will be reviewed sooner in the event of any one or more of the following:

- Failure or weaknesses in the Policy is highlighted.
- Changes in legislative requirements; or
- Changes in Council/Government or other directives and requirements.

8. Linkages (to other policies)

This policy provides the framework for undertaking procurement on behalf of the Council and is supported by procurement procedures. The policy should be read in conjunction with the Council's Financial Policy

9. Procurement Approach

The Council adopts a hybrid approach whereby a central procurement function supports trained and competent staff within directorates.

However ultimate responsibility for procurement resides in the Council service area where the expenditure is being incurred. The Council aims to ensure that each directorate has sufficient capacity to implement the Council's procurement policies and processes.

The Council has in place procurement limits but, where appropriate, the use of Government Procurement Service Frameworks and other relevant frameworks will be explored.

Collaborative procurement opportunities should also be considered where relevant.

Regularly used supplies, services and works will be procured through the 'tenders for services and supplies' process. These will be reviewed at appropriate intervals.

10. UK Procurement Legislation & Principles

Public procurement exercises that are undertaken which are above the UK Procurement Thresholds are subject to the rules set out in the Public Contracts Regulations 2015 – ("the Regulations"). At the time of writing thresholds, exclusive of VAT, are in the order of £213,477 for supplies and services and £5,336,937 for works, inclusive of VAT, the current threshold figures must be accessed via the following link:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1041964/Procurement_Policy_Note_10_21_-_New_Thresholds_Values_and_Inclusion_of_VAT_in_Contract_Estimates.pdf

Procurement activity undertaken for works, goods or services up to a value of £30,000 does not trigger the enactment of the threshold procurement rules, however, general procurement principles should still be considered when undertaking procurement at this low value level particularly the following principles:

- Equal treatment
- Transparency
- Non-discrimination
- Mutual recognition
- Proportionality

11. Procurement Principles

The 12 principles guiding public procurement in Northern Ireland (Public Procurement Policy in Northern Ireland), will be applied to all Council procurement:

The twelve procurement principles are:

1. Accountability: Effective mechanisms must be in place in order to enable Council to discharge their personal responsibility on issues of procurement risk and expenditure.

- Council officers in the relevant departments will be accountable for the procurement process. Council officers will have a sufficient understanding of procurement procedures and legislation and maintain high professional standards as well as retain full documentation to evidence a transparent and clear procurement process.

2. Competitive Supply: Procurement should be carried out by competition unless there are convincing reasons to the contrary.

- Procurement will be carried out in a competitive manner in line with the Council's procurement limits.

3. Consistency: Suppliers should, all things being equal, be able to expect the same general procurement policy across the public sector.

- All suppliers will be treated in a consistent manner across all departments.

4. Effectiveness: Public bodies should meet the commercial, regulatory and socioeconomic goals of government in a balanced manner appropriate to the procurement requirement.

- The Council will put in place mechanisms in which the procurement method will be effective by affording appropriate consideration to the goods, services and construction works being procured.

- All major procurement shall consider the impact on the social, economic and environmental well-being within the borough.

- Social considerations will be included in the procurement process provided they are considered when appraising options and relate to the subject matter of the contract or the performance of the contract.

5. Efficiency: Procurement processes should be carried out as cost effectively as possible.

- The procurement process will be carried out as cost effectively as possible. All major procurement will have due regard to the issue of Sustainability and Social Value and early decisions will be taken to ensure that procurements are developed so as to encourage delivery in the most efficient manner meeting the needs of the end user within budget.

6. Fair-dealing: Suppliers should be treated fairly and without unfair discrimination, including protection of commercial confidentiality where required. Public bodies should not impose unnecessary burdens or constraints on suppliers or potential suppliers.

- The Council will endeavour to treat everyone in an equitable and fair manner regardless of religious belief, political opinion, racial group, age, marital status or sexual orientation

- Suppliers should be treated fairly and without unfair discrimination including protection of commercial confidentiality where relevant. The tendering process should not place unnecessary burdens or constraints on current or potential suppliers.

7. Integration: In line with the NI Executive's policy on joined-up government,

procurement policy should pay due regard to the Executive's other economic and social policies, rather than cut across them.

- The Policy will integrate with other policies and will take account relevant legislation, best practice and guidance.

8. Integrity: There should be no corruption or collusion with suppliers or others.

- All Council officers will conduct themselves with integrity in a professional and ethical manner at all times. There will be no corruption, bribery, or collusion with suppliers. Such behaviour will not be tolerated by the Council.

- The risks associated with all procurement shall be assessed and minimised accordingly.

9. Informed decision-making: Public bodies need to base decisions on accurate information and to monitor requirements to ensure that they are being met.

- Accurate, timely information will provide the basis for informed decision making with the purpose and intended outcomes of the procurement always kept in mind.

10. Legality: Public bodies must conform to European Union and other legal requirements.

- All Council procurement will be carried out in line with relevant legislation and guidance.

11. Responsiveness: Public bodies should endeavour to meet the aspirations, expectations and needs of the community served by the procurement.

- The Council's procurement process should result in an end product which is responsive to the needs of the end user identified at the initiation phase of the procurement within budget and on time.

12. Transparency: Public bodies should ensure that there is openness and clarity on procurement policy and its delivery.

- The Council's procurement process should be transparent; open and clear.

12. Collaborative Procurement

It is widely recognised that many areas of public sector spend operate in a closed environment whereby goods or services for a particular department are purchased in isolation to another department which may require similar goods or services in the near future. This method of procurement can lead to increased costs and large variations in pricing from one procurement exercise to another. A report from the Northern Ireland Audit Office "Department of Finance and Personnel – Collaborative Procurement and Aggregated Demand" highlights the problems associated with such methods of working and encourages public sector organisations to collaborate and aggregate demand to help secure both procurement and financial efficiencies.

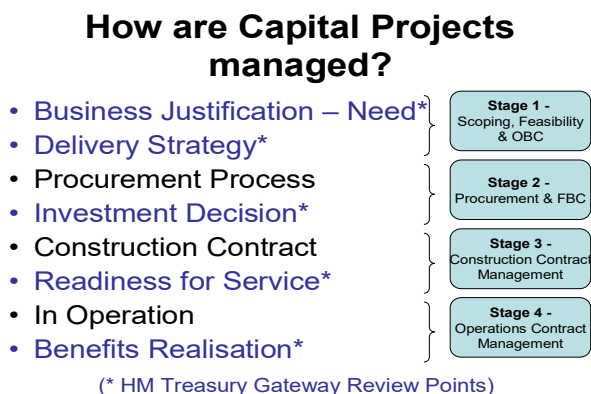
Effective collaboration between Council departments is important to aggregate demand and ensure that duplication of procurement effort is minimised as far as possible. Departments should therefore hold regular procurement meetings to discuss and agree upcoming requirements. Such an approach will ensure that the greatest number of requirements can be satisfied with the minimum number of procurement exercises. Collaboration will also encourage the aggregation of demand which will in turn enable Council to issue fewer requirements to the market that are larger in scope.

While collaboration in procurement is generally viewed as beneficial, it is important to be aware of the increased likelihood of legal challenges from unsuccessful bidders if very large collaborative arrangements are put in place, as unsuccessful bidders will be frozen out of the market for the duration of the contract. It is also worth noting that very large collaborative procurement exercises generate a significantly larger impact on Council should the successful bidder fail at any point following the award of contract. Due consideration should be given to these aspects of collaboration before proceeding to ensure that the proposed collaboration project is manageable and beneficial to both the marketplace and Council.

13. Capital Procurement

All procurement resulting in capital expenditure i.e. the purchase of a new asset, vehicle or piece of equipment must be authorised by Council Committee where the value exceeds £30,000. This approach ensures that Council have appropriate control over the release of funding for capital expenses.

In addition to Council Committee approval, all capital expenditure in excess of £30,000 should follow the four stage capital project management process outlined below:



14. Responsible Procurement

Social Value objectives are addressed in the 2014 Public Contracts Regulations and the Public Services (Social Value) Act 2012. In Northern Ireland, the Northern Ireland Procurement Board agreed a standard approach ('Buy Social' Model) to be used in the procurement of construction projects from April 2016. The Buy Social model was developed by the Strategic Investment Board and Central Procurement Directorate seeks to maximise the benefits from public procurement in terms of personal well-being, social cohesion and inclusion, equal opportunities, and sustainable development.

The Model does not apply to Local Government but will be considered within the Council's procurement to formally embed social value into all procurement processes and associated strategies and policies. Sustainability is most often defined as meeting the needs of the present without compromising the ability of future generations to meet theirs and its main principles focus on the economy, the environment and society and it is inextricably linked to social value.

Responsible Procurement encompasses both Social Value and Sustainability and recognises the Council's responsibility to procure value for money goods, services, works and utilities, whilst maximising social value, minimising environmental impacts and ensuring the ethical treatment of people throughout its supply chains.

The Council recognises its role to provide Responsible Procurement as follows:-

1: Social Value

Leveraging service and works contracts to protect and enhance the health and wellbeing of local people and the local environment, providing skills and employment opportunities and promoting the local economy.

- Protecting people and the environment by ensuring Health and Safety is an inherent part of the procurement process.
- Promoting social inclusion, equality, and community benefit by including work-related opportunities, employability, and apprenticeships in relevant contracts
- Supporting local economic regeneration by paying the living wage and ensuring that supply chain opportunities are accessible to Small and Medium Enterprises, Social Enterprises and the Voluntary and Community Sector.

2: Environmental Sustainability

Minimising environmental impacts, promoting animal welfare and improving efficiency throughout the supply chains of all goods, services and works procured.

- Sourcing lower impact materials and methods and promoting sustainable food, farming and animal welfare
- Maximising resource efficiency by considering whole life costs and seeking to reduce waste
- Mitigating and adapting to climate change by ensuring energy efficiency and promoting renewable and carbon energy

3: Ethical Sourcing

Ensuring that human rights and employment rights are protected throughout the Council's supply chains and encouraging responsible business practices within the procurement process.

- Ensuring human and labour rights
- Ensuring legal and fair employment practices
- Contracting with responsible businesses

Responsible Procurement will be balanced and guided by use of available resources whilst achieving value for money and constantly seeking continuous improvement and will contribute towards the Council Values.

In order to ensure that Responsible Procurement is viable as well as meaningful, supporting both value for money and operational effectiveness implementation of the

Three Pillars will be undertaken according to spend threshold, category of risk, opportunity in any procurement and the related market maturity.

The Council aims to incorporate the following 10 steps to delivering Responsible Procurement through Procurement into its processes:

1. Maintain a 'Request for Quotation' Supplier Database – Local suppliers are encouraged to register their interest in participating in quotation exercises. The Council actively promotes the opportunity to take part in procurement exercise to local businesses.
2. Engage with Suppliers to provide support and guidance to local suppliers, Small and Medium Enterprises (SMEs), Social Enterprises (SEs) and the Voluntary and Community Sector in terms of building capacity and knowledge /skills in relation to participating in Council procurement and other public sector procurement opportunities. This will include encouraging contractors to source materials locally where appropriate.
3. Use of Lots to encourage participation of SMEs, SEs and the Voluntary and Community Sector and inclusion of a clause requiring Tenderers to pay subcontractors within 30 days. Any proposed outcomes identified should be proportionate and relevant to the specification of the procurement.
4. Publish future Tender opportunities to allow SMEs, SEs and the Voluntary and Community Sector time to prepare for future procurement opportunities.
5. Work to continuously improve and streamline procurement processes to ensure that unnecessary burden is not placed on supply base and to ensure that all tender documents includes maximum and relevant Responsible Procurement objectives and requirements and includes Responsible Procurement in Quality Criteria of relevant procurement opportunities.
6. Business cases – ensure responsible procurement is considered from the beginning of the procurement process and identify any opportunities to link responsible procurement considerations to the subject matter of the contract, which must be proportionate to the value of the contract. Where responsible procurement is not clearly linked to the subject matter of the contract consider use of a contract condition/voluntary requirement.
7. Pre-Tender Form – require the consideration of responsible procurement within each Tender
8. Work to identify contracts that are suitable for the incorporation of defined responsible procurement criteria relating to the employment of long term unemployed, provision of apprenticeships or provision of training opportunities and ensure selection criteria appropriately addresses equal opportunity, fair trade, fair employment and eliminate modern slavery and Investigate the possibility of partnering with local educational or training organisations with the view of encouraging training opportunities for local students within supply base through voluntary clause in procurement documents.
9. Ensure Responsible Procurement clauses are included in Tender documents for Building Contracts, Civil Engineering Contracts and Services Contracts in line with Northern Ireland

Procurement Board recommendations. Engage with Strategic Investment Board (SIB) regarding the Council's Capital Plan to identify opportunities for incorporation of appropriate responsible procurement clauses and use mandatory government buying standards in procurement specifications wherever possible.

Ensure climate change resilience is maximised by opting for sustainable, durable solutions in the face of changing temperatures and weather patterns and the environment is protected by minimising terrestrial, marine and air pollution and enhancing and protecting local biodiversity.

10. Specifications – ensure all relevant procurement specifications (including fleet and vehicle specifications) seeks to improve energy efficiency and maximises energy supply from renewable sources and encourages zero-carbon travel.

13. Procurement – Approvals

The table below details the Procurement and Approval Limits to be followed in the procurement process and the responsibility of Council Officers.

Where the required number of quotations has not been received, the officer responsible for seeking the quotations must consult with the procurement officer or procurement manager to obtain advice, once advice has been received, authorisation to complete purchases must be signed by Head of Service or Director.

Once the quotations/tenders have been assessed electronic requisitions must be raised and electronic purchase orders must be approved by authorised Officers and approved by the procurement officer(s).

Approval to proceed to Tender and award to the Most Economically Advantageous Tender is required in line with the Authorisation and Procurement limits.

Officers will assess Tender submissions in line with the Tender Criteria and will proceed to award unless the Most Economically Advantageous submission is above the pre-tender estimate or only one tender has been received, in this instance approval will be sought in line with the Authorisation and Procurement Limits.

Threshold Band	Quotation Method
£ 0 - £ 2,999	Minimum of 2 written/email quotations
£3,000 - £12,000	Minimum of 3 written/email quotations
£12,001 - £29,999	Minimum of 5 written/email quotations
£30,000 and over	Publicly advertised tender on councils tendering platform https://e-sourcingni.bravosolution.co.uk/

Procurement processes

£ 0 - £1,499	£ 1,500 - £ 6,000	£ 6,001 - £ 14,999	£ 15,000 and over
Objective – Value for money	Objective – Value for money	Objective – Ensure MEAT	Objective – Ensure MEAT
Evidence 2 quotes	Evidence 3 quotes	Evidence 5 Quotes	Advertised on eSourcing
Responsibility – budget holder	Responsibility – budget holder	Responsibility – budget holder with procurement support	Responsibility – Procurement lead with budget holder
Authorisation – Budget Holder	Authorisation –Head of Service	Authorisation – Director/SMT	Council Approval Required

13. Exceptional Procurement Measures – Award of contracts without a competition

There are a limited number of circumstances whereby a public contract can be awarded by Council to a supplier without running a procurement competition in the usual manner inviting open competition.

The Central Procurement Directorate have provided further guidance on this area within Procurement Guidance Note (PGN) 03/11 <https://www.finance-ni.gov.uk/publications/procurement-guidance-note-0311-award-contracts-without-competition>

It is also important to note that any contract awarded is still subject to the overarching procurement principles.

In addition to circumstances set out in the CPD guidance it is also important to note that procurement case law has dictated that significant material contract variations are deemed to automatically create a “new contract”. This “new contract” would remain with the existing supplier and would therefore be seen by the courts as awarding a contract to that supplier without a competition. Changes to a contract will be considered material and are likely to lead to the automatic creation of a “new contract” if:

- It introduces conditions which would have altered who could have bid for the contract, or which bid might have won;
- it extends the scope of the contract considerably to encompass services not initially covered;
- It changes the economic balance of the contract in favour of the contractor in a way which wasn't provided for in the original contract.

In all cases where council staff are considering the use of the award of a contract without competition, they must seek guidance from the procurement officer before proceeding as such an approach will be easily challenged in the courts unless rigorously supported by appropriate documentation and completed in accordance with the legislative requirements.

Authorisation required

When a member of council staff has spoken with the procurement officer - and discussed all the alternative options available - and wishes to proceed with the award of a contract without competition the staff member should seek approval of their approach from the Senior Leadership Team before seeking Council approval to award.

A detailed report should be completed by the member of staff requesting the contract award explaining their rationale and the consideration given to all alternative options in conjunction with discussions between the staff member and the procurement officer. The template provided below – Request for the Approval of a Direct Award Contract (DAC) should be fully completed by the member of staff requesting the contract award.

Once completed, this document will require authorisation from the Senior Management Team before proceeding to the relevant committee for consideration. Upon agreement from the Council the staff member should contact the procurement officer to assist with the contract award to the chosen supplier.

Request for approval of a Direct Award Contract (DAC)

To seek approval in respect of a DAC seek advice and the following form must be completed with all relevant details and be presented to the Senior Management Team for decision.

Section 1. Contact Details	
Name of Officer Requesting DAC	
Job Title	
Department	

Section 2. DAC Details	
Title of DAC requested	
What is the estimated value of this DAC?	
Is a Business Case required? Yes/No* NB: Business Cases must be produced for all new spend equal to or greater than £30,000. *Delete as appropriate	If 'yes', an approved business case must be attached.
Confirm budget exists for requirement if no business case is required.	
Name, address and contact email of proposed supplier and length of contract as appropriate.	

Section 3. New Requirement			
Is this a new requirement which has not been purchased before? (Please tick one of the options below)			
Yes		No	

If you ticked 'Yes' above, please proceed to Section 5.

Section 4. Previous Contract			
Was the previous requirement subject to competition or tender or was it awarded directly to a supplier? (Please tick one of the options below)			
Competition/Tender		Direct Award Contract	
Please state the start and end dates of the previous Contract:			
Start Date		End Date	
If the Contract has been extended beyond the original end date stated above, please provide dates of any extensions:			
Please state the total value of the previous contract			£

Section 5. DAC Justification
<p>Please provide a detailed rationale to justify the request (i.e., ownership of any intellectual property or exclusive rights, sole provider, etc.)</p>

By making a request and signing this form, the Requesting Officer will be deemed to have confirmed that they have no conflict of interest associated with the award of business that may result from this process.

Signature of Requesting Officer: _____

Name of Head of Department: _____

Signature of Head of Department: _____

Procurement Guidance Notices

The below hyperlink provides access to all current procurement guidance notices for reference.

<https://www.finance-ni.gov.uk/articles/procurement-guidance-notes-pgns>

<https://www.gov.uk/government/collections/procurement-policy-notes>