

## Witney Town Council – Procurement Policy

### **Background**

Procurement is a complex function guided by numerous policies and statutes. A comprehensive Procurement Policy is critical to ensuring that all stakeholders involved in procurement follow the proper procedures and rules, and that there is a clear and consistent understanding of the regulations and organisational approach in relation to procurement.

Every contract by the Council or a person acting on its behalf shall comply with this Procurement Policy, the Council's Standing Orders and its Financial Regulations.

The Council's key objective in procurement is to attain best value for the goods, materials, and services that it purchases. Persons involved in the awarding of a contract on behalf of the Council must ensure that best value is obtained. Best Value is defined as a balance of price, quality of product and supplier services. Prior to commencing the procurement the person leading the procurement must identify and assess the options for meeting those needs and prepare a detailed specification. The best use of purchasing power shall be sought by aggregating purchases where possible. In assessing best value and making procurement decisions factors including the life cycle of the product supplied and the on-going maintenance should be considered.

The Council will also prioritise other factors including sustainable procurement and local procurement. The Council aims to ensure its impact is positive, adding social value by contributing to the long-term wellbeing and resilience of residents, the community and society in general, balancing this with the financial regulations and statutory legislation.

The Council operate a transparent procurement process in accordance with its Financial Regulations and Standing Orders, which cover, amongst other things the number of quotations required and tender rules – and is appended to this policy.

### **Related policies**

Every contract made by or on behalf of the Council shall comply with:

- This policy.
- The Council's Financial Regulations, in particular Chapter 10 "Orders for work, goods and services" and Chapter 11 "Contracts."
- The Council's Climate Emergency declaration to be carbon neutral by 2028 as declared on 26 June 2019.

All relevant statutory provisions including, but not limited to: the Local Government Act 1972 s.135, Local Government Act 1988 Part II, the Local Government (Contracts) Act 1997, Local Government Act 1999, Local Government Act 2000 and the Public Contracts Regulations 2015.

### **Sustainable procurement**

- 1) The Council recognises the importance of sustainability and will consider the environmental, social, and economic impacts of its purchasing decisions.
- 2) The Council recognises that this is good practice to consider social value for all contracts and will seek to mitigate any negative impacts of its operations and enhance those that could be beneficial in the hope of leaving a positive social legacy.
- 3) The Council recognises its duty to protect biodiversity under Section 40 of the Natural Environment and Rural Communities (NERC) Act 2006. To meet this duty the Council will wherever possible purchase products or specify working methods that protect biodiversity.
- 4) The Council will further encourage suppliers to adopt practices which minimize their environmental impact and deliver community benefits in relation to their operations and supply chains.
- 5) The Council will, wherever relevant , purchase goods that meet Fairtrade standards (or similar).

### **Local contractors, community benefits and equalities**

- 6) The Council recognises the benefits to the economy of using local and SME (micro, small and medium-sized enterprises) businesses, VCSEs (non-governmental organisations that are value-driven and which principally reinvest their surpluses to further social, environmental or cultural objectives) and the voluntary sector. The Council will seek out local contractors and suppliers wherever possible.
- 7) The Council will look positively on suppliers who deliver community benefits and raise living standards by promoting employment through job creation, facilitating apprenticeship opportunities, and paying the real living wage, as it does to its employees.
- 8) All procurement will be in accordance with the Council's Equal Opportunities Policy.

### **Competence of contractors and due diligence**

- 9) The Council shall only enter a contract with a supplier if it is satisfied as to the supplier's suitability, eligibility, financial standing and technical capacity to undertake the contract by carrying out appropriate due diligence.
- 10) All contractors and suppliers working on Council sites will be required to comply with the Council's Health & Safety policy and any rules specific to the site of operation.
- 11) Provision of suitable risk assessments and method statements may be a condition

of contracts involving work on Council properties or sites.

- 12) The Council requires all contractors to maintain adequate insurance, including but not limited to Public Liability insurance and Employers' Liability Insurance of £10 million. This level may be varied by the officer commissioning the work, taking in to account all factors including the nature of the contract, the value of the contract and the risks to the Council. The Council may also require Professional Indemnity insurance at a level commensurate with the value of the contract.

### **Community engagement**

- 13) Where relevant the Council will consult with residents and service users to better understand what is needed, who will use it and what the essential requirements are for an item of capital expenditure. Examples of when this may apply include provision of new play equipment, bus shelters, benches and possibly bins.

### **Selection criteria**

- 14) In addition to the above requirements the following factors may be considered in the Council's selection process:
  - Credit checks;
  - Health and safety record;
  - Health and safety procedures;
  - Financial accounts;
  - References from customers;
  - Location of supplier;
  - Organisational structure and staffing levels;
  - Policies in relation to the environment/ sustainability and equality and diversity;
  - Any other factors which the Council considers relevant in relation to the procurement.

### **Procurement procedures**

- 15) All contracts over £25,000 will be advertised on the Council's website and the Contracts Finder website (or equivalent).
- 16) In accordance with Standing Orders the Council is not obliged to accept the lowest of any tender, quotation, or estimate.
- 17) The Council maintains monthly accounts with suppliers of regular purchases. All

purchases on Council accounts may only be made by authorised Council officers who must either provide a purchase order or be provided with a receipt. Limits will be set on each account on the maximum value of individual purchases and the overall balance on the account. Expenditure over these limits must be authorised by the Town Clerk/ Chief Executive in advance.

- 18) The Council understands the importance of paying suppliers promptly and will wherever possible settle undisputed accounts within a maximum of 30 days from receipt, or earlier, by agreement.

#### **Additional guidance**

- 19) Where additional guidance is needed the following documents will be considered:
- Joint Panel on Accountability and Governance A Practitioners' Guide (National Association of Local Councils, March 2024).
  - NALC Legal Topic Note 87 – Procurement – 24 January 2024.

#### **Review**

This policy will be monitored and reviewed by the Council's Policy, Governance & Finance Committee every 2 years, or in response to changes in legislation.

Next scheduled review date: March 2026.

#### APPENDIX 1 – SUMMARY OF CONTRACT REQUIREMENTS

<b>ESTIMATED VALUE OF CONTRACT (Net of Vat)</b>	<b>CONTRACT REQUIREMENTS</b>
Between £500 and £3,000	3 estimates required. A purchase order is required.
Between £3,001 and £24,999	3 quotations required. A purchase order is required.

Between £25,000 and Procurement threshold*	Tender advertised on the Town Council, Contract Finder and Find a Tender websites, and specialist website if appropriate. A contract is required.
Above Procurement threshold	Legal advice shall be obtained on the most appropriate processes. A contract is required.

\*Procurement thresholds are set, usually annually by central government in accordance with the Public Contracts Regulations 2015.