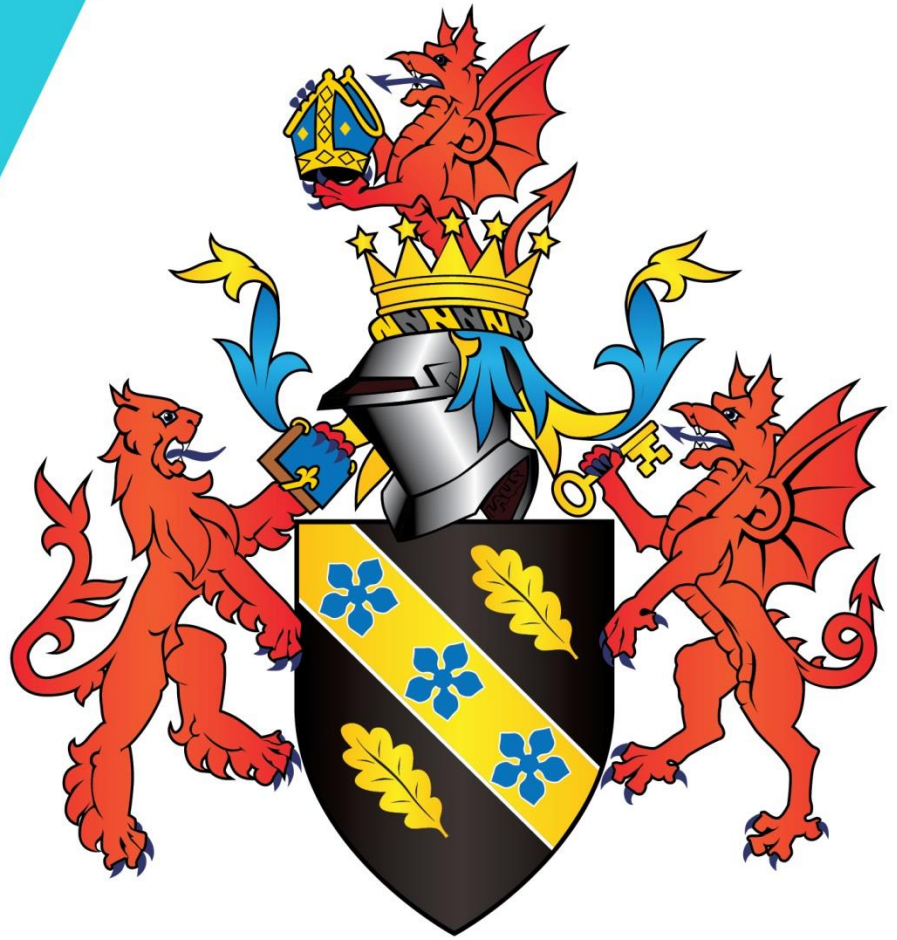




Prifysgol Cymru
Y Drindod Dewi Sant
University of Wales
Trinity Saint David



UWTSD Group Procurement Strategy

CONTENTS

CONTENTS	2
Introduction and Scope	3
Background.....	3
Vision	3
Objectives	7
Measures of Success.....	9
Implementation / Monitoring Progress.....	10
Strategic Risks.....	11
Impact Assessment.....	11
Document Version Control	11
<i>Appendix A: Action Plan:</i>	12
<i>Appendix B: Strategy Impact Assessment</i>	15

To update the table above, right click and select Update Field, and update page numbers only.

Introduction and Scope

The UWTSD Group aims for a de-centralised but co-ordinated system of purchasing as a mechanism for delivering value for money, efficiency, transparency adherence with applicable regulations and directives and reducing exposure to commercial risk.

The strategy recognises the individual requirement of the individual Group Companies whilst providing a framework for consistency in processes that puts efficiency in the process, reduces duplication of effort and maximises the benefits that group synergies bring.

The strategy aims to benefit all departments in their procurement activities and adopts the 9 Principles of Welsh Public Procurement Policy, The Ethical Employment in the Supply Chain and Modern Slavery.

Background

A procurement strategy was published in October 2014 which has been supported by a procurement policy that was last formally updated in April 2016.

The fundamental principles within the procurement of goods and services across the group have not changed significantly from these dates, however the environment in which we operate has evolved and the objectives that procurement can be measured against are now more defined.

This updated strategy builds upon the core objectives set out in the 2014 strategy and highlights the external factors influencing our objectives and behaviours.

Vision

Non-Pay expenditure across the group is significant at over £60million a year. Procurement activity leading to this expenditure covers all departments within the group and is an ongoing activity through the whole year.

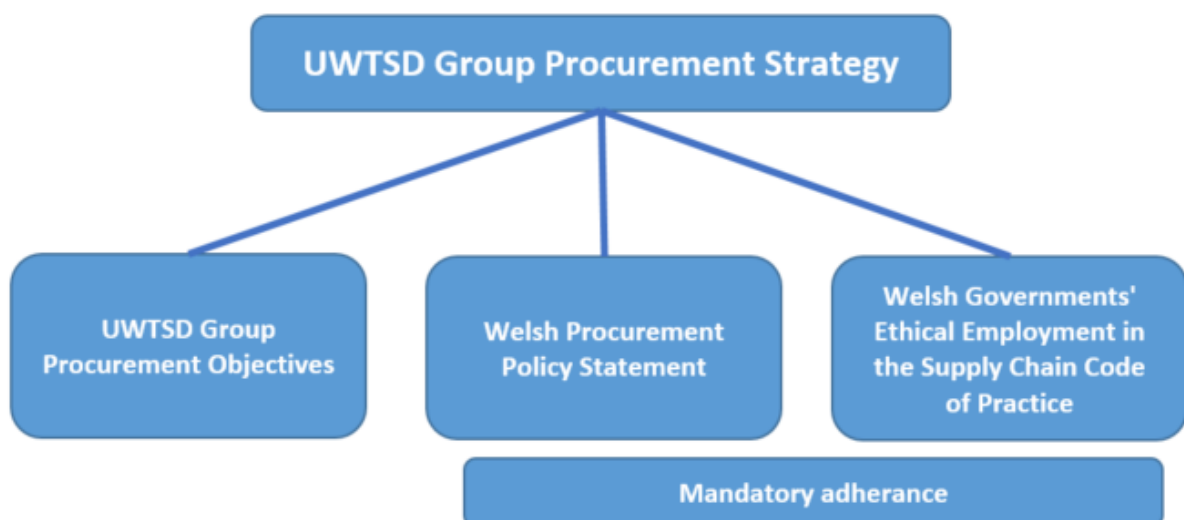
With a large number of individuals being involved in generating this figure of expenditure there is a significant risk in the process that can lead to wasted effort and inefficient (or inappropriate) use of the groups funds.

It is therefore vital that the Group has a concise procurement strategy that leads to efficient purchasing to provide the Group with real opportunities of achieving value for money (VfM) and reducing operating costs through lower prices for goods and services. This strategy covers all aspects of the procurement cycle from initial supplier selection and management, through to final payment of invoices.

The Strategy does not sit in isolation, rather it provides a framework for procurement within the Group and is underpinned by policy and operational activity. This framework operates alongside all of the individual strategies and departmental activity within the Group.



The strategy sets out to ensure that the procurement activity within the Group supports 3 complimentary requirements:



Through delivery of the strategy the Procurement Department will provide a centre of procurement expertise for the University, by minimising risks and delivering a positive service in support of the Institutions Strategy and Financial Procedures. The strategy aims to benefit all departments in their procurement activity.

Welsh Governments' Ethical Employment in the Supply Chain Code of Practice

This Code of Practice has been established by the Welsh Government to support the development of more ethical supply chains to deliver contracts for the Welsh public sector and third sector organisations in receipt of public funds.

Evidence illustrates that unethical employment practices are taking place in supply chains throughout Wales and beyond.

This Code is designed to ensure that workers in public sector supply chains are employed ethically and in compliance with both the letter and spirit of UK, EU, and international laws.

The Code covers the following employment issues:

- Modern Slavery and human rights abuses
- Blacklisting
- False self-employment
- Unfair use of umbrella schemes and zero hours contracts and
- Paying the Living Wage

Wales Procurement Policy Statement

The Wales Procurement Policy Statement was reissued in March 2021 to reference the role that public sector procurement will play in the recovery from Covid-19, the statement is reproduced below.

Whilst this Strategy does not set out to explicitly address each of the 10 principles with a corresponding action, successful delivery of the Strategy will align with the spirit as well as the letter of the Statement

The Wales Procurement Policy Statement Principles

The Welsh public sector will follow ten principles for procuring well-being for Wales based on the Well-being of Future Generations (Wales) Act Goals and key Welsh Government policies:

1. We will leverage **collaborative** procurement activity in Wales to maximise **long-term** sustainable social and economic value outcomes from public spend
2. We will **integrate** procurement into the heart of Welsh policy development and implementation
3. We will progress **long-term** sustainable procurement, which builds on and scales best practice and sets clear steps that show how procurement is supporting the delivery of organisational well-being objectives
4. We will raise the **long-term** standing and profile of the procurement profession and its role as an enabler for procurement policy
5. We will support Welsh Government policy objectives relating to progressive procurement, such as the Foundational and Circular Economy, through **collaborative**, place-based (whether national, regional or local) procurement activity which nurtures resilient local supply chains
6. We will act to **prevent** climate change by prioritising carbon reduction and zero emissions through more responsible and sustainable procurement to deliver our ambition for a net zero public sector Wales by 2030
7. We will align our ways of working and increase stakeholder **involvement** to support innovative and sustainable solutions through procurement
8. We will **collaborate** with stakeholders to promote equal opportunities and fair work in Wales
9. We will improve the **integration** and user experience of our digital solutions and applications, maximising the use of our procurement data to support decision making
10. We will promote value-based procurement which delivers optimum **long-term** outcomes for Wales.

Objectives

The Group believes that goods and services should be acquired by competition and that all purchasing should be based on good practice, underpinned by the following objectives;

Strategy Objective	Associated Output
Policy	
1. To provide a single policy across the Group that provides clear structure and guidance along with flexibility to meet the needs of the individual Group Companies	- Create an intranet portal for procurement documentation and guidance - Publish a group policy for procurement - Refreshing the Financial Regulations
2. To facilitate the development of an effective and coordinated purchasing effort within the Institutions and identify opportunities for working with others	- Promoting the use of the Procurement department across the Group - Maintaining a central register of contracts - Reviewing aggregate spend across the group on key categories and identify opportunities to leverage economies of scale
Systems	
3. To develop appropriate management information systems in order to measure the performance and VfM achieved through purchases made by the Institutions	- Producing a full annual spend analysis report within an annual purchasing report - Utilising controls and information within BluQube
4. To promote the delivery of value for money through good procurement practice, by utilising the most cost efficient and effective methods, in order to reduce potential commercial risks that could affect the Institution	- Implementing system solutions to procurement challenges - Enforcing a No PO, No Pay policy - Maximising usage of purchasing cards - Correctly using the Groups tendering process - Ensuring contracts are up to date - Providing training material for users
5. Ensure procurement systems & processes are clear and meet the needs of the end users	- Annual survey of key users - Refreshing all key documentation with periodic reviews

Management

6. To develop lasting relationships with contractors and suppliers, whilst ensuring VfM and continuing high performance can be demonstrated.	- Actively manage the suppliers held on BluQube – preferred supplier list - Participate in Hefcw, NPS procurement networking events - Centralise management of suppliers and contracts - Publishing tender opportunities and providing supplier 'how to guides', particularly aimed at Welsh SMEs
7. To give due consideration to good governance, and to ensure transparency of arrangements whilst complying with all relevant UK legislation	- Identifying the true KPIs for procurement activity and adopting challenging and productive targets to measure against - Regular reporting to RPC, ARC and Council on performance and adherence to policy
8. To give consideration to sustainable, ethical, social and environmental policies, and ensure that the procurement activity within the institutions are sensitive to the needs of the wider community	- Ensuring that sustainability is a core consideration within tendering rounds - Review on suppliers for compliance with Welsh Government / UK Government guidelines - Ensure operations consider the Groups Welsh Language aims

Measures of Success

The strategy does not set out the detailed level of activity within the associated outputs as these will change over time to reflect progress against the strategy and changes to the environment in which the Group operates. An annual internal plan will be set within the Groups financial year dates which will contain these detailed tasks. An example of this is shown below – as KPIs are to be defined for the beginning of the financial year they are outstanding from this example.

Strategy Objective	Operational Area	Targets / Opportunities	Reporting
To promote the delivery of value for money through good procurement practice, by utilising the most cost efficient and effective methods, in order to reduce potential commercial risks that could affect the Institution	Maximising usage of purchasing cards	Benchmark Groups use of purchase cards for purchases <£500 (vs. invoiced spend)	Rolling reporting showing card use vs. invoiced spend and card use vs. single use suppliers
		Establish financial targets for total card expenditure and savings / cashback	KPI Dashboard
		Review single use suppliers and identify opportunities for purchase card use	Within annual purchasing report
		Ensure card holder accounts are maintained, credit limits reviewed etc.	Internal departmental MI
		Enforce the reporting requirements of all card holders on a monthly basis	Internal departmental MI Within annual purchasing report

Implementation / Monitoring Progress

Procurement within the group is a mature function with the areas covered by the strategy already forming the core of its activity.

Formalising the procurement strategy and associated responsibilities allows individuals to take greater responsibility for their purchasing activity through access to greater information sources and support lines.

Along with the procurement policy and associated purchasing policies this strategy will be fully implemented by the Procurement manager with support from the Director of Financial Services and the Director of Finance within the FE colleges.

Responsibilities for the strategy are below

Director of Financial Services	- Ownership of the Strategy and Associated Policies - Implementation of the Strategy - Reporting to RPC / ARC / Council as appropriate - Accountability for operations within the Procurement process (alongside the Director of Finance for the FE Colleges) - Responsibility for the delivery of the Strategy and Policy is devolved to the Procurement Manager
Procurement Manager	- Coordinating procurement, including contract negotiations, assisting in tendering, maintaining supplier lists, and to ensuring compliance with all relevant purchasing legislation. - Providing guidance and advice on the use and/or interpretation of the Strategy and Policies
Budget Holders	- Ordering and authorising payment of purchases within their department. Purchasing authority may be delegated to named individuals within the department. Where authority is delegated, the Budget Holder is responsible for ensuring all delegated staff are fully aware of financial regulations and procedures.
All Staff	- Ordering and authorising payment of purchases within their department. Purchasing authority may be delegated to named individuals within the department. Where authority is delegated, the Budget Holder is responsible for ensuring all delegated staff are fully aware of financial regulations and procedures. - Irrespective of the source of funding, to obtain supplies, equipment and services which are the most cost effective, whilst considering environmental aspects.

Strategic Risks

The fundamental principles of the strategy are already embedded within the Group's purchasing activity, the publication of the strategy allows for greater devolved responsibility across employees rather than a concentration within the procurement team.

As such there are no new risks to consider within the procurement activity from this strategy.

Risks to procurement activity not delivering on the strategy objectives will come from non-adherence of the policy and not utilising the support within the procurement policy. The scheme of authority for authorising expenditure and system controls in operation act as strong mitigations to this risk. Ongoing monitoring of expenditure by the procurement team act as a final level of defense.

Impact Assessment

See appendix B

Document Version Control

Version No:	Reason for change:	Author:	Date of change:
1	Presentation of New Policy	Gavin Bessant	November 2021

(this should include the journey of the strategy policy through the Committee structure).

Appendix A: Action Plan:

Objective	Action to achieve the objective	Action Owner	Start Date	End Date	Progress achieved as at XX
To provide a single policy across the Group that provides clear structure and guidance along with flexibility to meet the needs of the individual Group Companies	Create an intranet portal for procurement documentation and guidance Publish a group policy for procurement Refreshing the Financial Regulations	Director of Financial Services	January 2022	March 2022	
To facilitate the development of an effective and coordinated purchasing effort within the Institutions and identify opportunities for working with others	Promoting the use of the Procurement department across the Group Maintaining a central register of contracts Reviewing aggregate spend across the group on key categories and identify opportunities to leverage economies of scale	Procurement Manager	January 2022	July 2022	
To develop appropriate management information systems in order to measure the performance and VfM achieved through	Producing a full annual spend analysis report within an annual purchasing report Utilising controls and information within BluQube	Procurement Manager	January 2022	December 2022	

Objective	Action to achieve the objective	Action Owner	Start Date	End Date	Progress achieved as at XX
purchases made by the Institutions					
To promote the delivery of value for money through good procurement practice, by utilising the most cost efficient and effective methods, in order to reduce potential commercial risks that could affect the Institution	Implementing system solutions to procurement challenges Enforcing a No PO, No Pay policy Maximising usage of purchasing cards Correctly using the Groups tendering process Ensuring contracts are up to date Providing training material for users	Procurement Manager	January 2022	July 2022	
Ensure procurement systems & processes are clear and meet the needs of the end users	Annual survey of key users Refreshing all key documentation with periodic reviews	Procurement Manager	January 2022	December 2022	
To develop lasting relationships with contractors and suppliers, whilst ensuring VfM and continuing high performance can be demonstrated.	Actively manage the suppliers held on BluQube – preferred supplier list Participate in Hefcw, NPS procurement networking events Centralise management of suppliers and contracts	Procurement Manager	January 2022	December 2022	

Objective	Action to achieve the objective	Action Owner	Start Date	End Date	Progress achieved as at XX
	Publishing tender opportunities and providing supplier 'how to guides', particularly aimed at Welsh SMEs				
To give due consideration to good governance, and to ensure transparency of arrangements whilst complying with all relevant UK legislation	Identifying the true KPIs for procurement activity and adopting challenging and productive targets to measure against Regular reporting to RPC, ARC and Council on performance and adherence to policy	Procurement Manager	January 2022	December 2022	
To give consideration to sustainable, ethical, social and environmental policies, and ensure that the procurement activity within the institutions are sensitive to the needs of the wider community	Ensuring that sustainability is a core consideration within tendering rounds Review on suppliers for compliance with Welsh Government / UK Government guidelines Ensure operations consider the Groups Welsh Language aims	Procurement Manager	January 2022	December 2022	

Appendix B: Strategy Impact Assessment

This assessment is to be used to assist the drafting and approval of policy documentation. The term 'Policy' for the purpose of this impact assessment includes policies, strategies, plans and projects.

The aim of the assessment is to assess the potential effects of a policy, with regard to equality, Welsh language and sustainable practice, and to thereby ensure that an overall positive impact is achieved.

The assessment should be undertaken by the Lead Policy Author. The Welsh Language elements of the assessment should be checked by the Welsh Language Services Co-ordinator (or equivalent), and the Equalities element should be checked by the Equalities Manager (or equivalent).

Introduction

Date Assessment Completed: 11th November 2021

Name of Policy: Procurement Strategy

Name of Lead Policy Author: Gavin Bessant

Name of strategic lead for this policy area: Gavin Bessant

Is this policy:

New ☒

Existing ☐

Briefly describe the purpose of the Policy:

The strategy aims to deliver an efficient procurement operation across the group, delivering adherence to legal and ethical requirements whilst delivering efficient processes and value for money in expenditure

Indicate below to whom this Policy applies *(please tick all that apply)*:

Internal Stakeholders	Staff	☒
	Students	☐
	Service Providers	☐
External Stakeholders	Partners	☐
	The wider public	☐
Others	Please specify	☐

Screening

Does this policy have any relevance to, or impact on, equality and diversity in the areas listed below?*(tick where appropriate):*

Possibility for discrimination / adverse impact	☐
Opportunities to promote equal opportunities	☐
Fostering good relations	☐

Indicate below whether the following has been considered during the development of this policy:

The opportunities for persons to use the Welsh language has been considered	☒
That the Welsh language considerations has been treated no less favourably than the English language	☒

Indicate below which of the following sustainable governance principles have been applied in the development of this policy:

Balancing short term need with the long term and planning for the future	☒
Working together with other partners to deliver objectives	☒
Involving those with an interest and seeking their views	☐
Putting resources into preventing problems occurring or getting worse	☐
Considering impact on all wellbeing goals together and on other bodies	☐

Evidence and data

Briefly outline any evidence / data collected for this impact assessment:

Evidence is via consultation and review of existing processes. The strategy is silent in the use of Welsh Language and will be published bi-lingually. The procurement operations facilitate the use of Welsh language in all aspects.

Impact

Outline below whether the policy impacts positively or negatively on people with the following protected characteristics¹ and the opportunities for people to use the Welsh language:

	Positive	Negative	Reasons / justification
Age	☐	☐	No impact
Disability	☐	☐	No impact
Gender	☐	☐	No impact
Gender reassignment	☐	☐	No impact
Sexual orientation	☐	☐	No impact
Race	☐	☐	No impact
Religion or belief	☐	☐	No impact
Pregnancy and maternity	☐	☐	No impact
Marriage or civil partnership	☐	☐	No impact
The opportunities for persons to use the Welsh language	☐	☐	No impact

Indicate below if the policy contributes towards delivery of the Well-being of Future Generation Goals:

	Positive	Negative	Reasons / justification
A prosperous Wales (efficient use of resources, skilled, educated people, generates wealth, provides jobs).	☒	☐	Promotion of local suppliers
A resilient Wales (Maintain and enhance biodiversity and ecosystems that support resilience and can adapt to change (e.g. climate change)).	☐	☐	No impact
A healthier Wales (People's physical and mental wellbeing is maximised and health impacts are understood)	☐	☐	No impact
A Wales of cohesive communities (Communities are attractive, viable, safe and well connected)	☐	☐	No impact
A globally responsible Wales (taking account of impact on global well-being when considering local social, economic and environmental wellbeing)	☒	☐	Promotion of local suppliers
A Wales of vibrant culture and thriving Welsh Language (culture, heritage, and Welsh language are promoted and protected. People are encouraged to do sport, art and recreation).	☐	☐	No impact
A more equal Wales (people can fulfil their potential no matter what their background or circumstances)	☐	☐	No impact

¹ Please note there may be a justifiable reason why a policy treats a particular group of people with protected characteristics more favourably. In such cases there is a need to ensure that the negative impact is proportionate.

What action will be taken to reduce negative or adverse impacts identified?

n/a no negative impacts identified

Action Planning

Action required:	By whom:	By when:
<i>Insert details here of whether there are any training, or communication requirements for the policy. Delete this text when populating the template.</i>	<i>Insert details of who will undertake this task. Delete this text when populating the template.</i>	<i>Insert the timescale for this action point. Delete this text when populating the template.</i>

Publishing and reporting

Assessments highlighting significant negative / adverse impacts are required to be published. The Equality Manager / Welsh Language Co-ordinator will work with you to ensure that the assessment is suitable for publication.

Details of assessments will presented to appropriate internal equality, Welsh language, and sustainability monitoring committees.

Outline below how this policy will be published:

The strategy and the associated policies will be published on the University intranet site and within the purchasing section of the University website

Monitoring and review

When will this impact assessment be reviewed?: _____

Who will be responsible for the review?: _____

How will you monitor the policy in the meantime?: *this may include collecting feedback, checking statistics / understanding of the policy. Delete this text when populating the template.*

Review by the Equalities Manager or equivalent:

Please indicate whether you are satisfied that all appropriate action has been taken to **promote equality** within the policy:

No further action is required: ☐

The Policy requires adjustment to remove barriers or better promote equality: ☐

Please give a brief outline of any remedial required, and whether this has been addressed in the version submitted for approval. If a decision has been taken not to address the remedial action identified then a full explanation of this should be provided:

Stop and remove the Policy: ☐ the policy shows actual or potential unlawful discrimination.

Approval

The Strategy will be formally considered and approved in accordance with Committee Terms of Reference outlined in the Academic Quality Handbook.