



ISLE OF WIGHT COUNCIL

PROCUREMENT STRATEGY

2022-2025

Foreword

I am very pleased to be able to write the foreword to this new Procurement Strategy. Aside from setting out the key underlying elements of the Council's approach to Procurement, including, of course, the need to secure value for money, the Strategy sets out four principal themes, namely Local Community Wealth Building, Climate and Environment, Commercial Approach and Skills and Capabilities. Each of these themes will be embedded in the way the council procures goods and using each we will highlight our commitment to supporting the Island's economy and ensuring local businesses and suppliers have the opportunity to bid for and secure council contracts wherever possible.

The Strategy reinforces our commitment to tackling the Climate Emergency and ensuring our procurement procedures provide high-quality services for residents. It also underlines the Council's commitment to supporting the UNESCO Isle of Wight Biosphere Reserve and meeting the ambitious carbon neutral targets in our Climate Change Strategy.

At all times we will welcome feedback and input, particularly from local businesses, as we develop revised rules and practices in accordance with this new Strategy. Overall we hope that we can make the process of procurement an opportunity and not a hurdle.



Councillor Jonathan Bacon

Cabinet Member for Climate Change, Environment, Heritage, Human Resources and Legal and Democratic Services

Message from the Federation of Small Businesses

The Isle of Wight Council is to be congratulated on its recently published procurement strategy. This strategy actively supports and encourages local businesses of all sizes – but particularly SME's – to participate in their tendering process.

This is an excellent way of supporting the smaller businesses from within their community

Tim Colman

National Procurement Spokesman – The Federation of Small Businesses

Introduction

The importance of effective and efficient public procurement has been highlighted by the Covid-19 pandemic and it can play a significant role in the Island's economic recovery. The economic landscape has changed significantly due to the impacts of the pandemic and it has never been more important to ensure our local businesses are supported and that the Council continues to procure good value and good quality contracts to deliver better outcomes for local people.

This Procurement Strategy aims to make things easier. Procurement should be an opportunity, not a hurdle.

Through the delivery of this Strategy, we will help local (including small) businesses and suppliers wherever and insofar as overriding rules allow, and particularly in a way that supports the delivery of our strategic priorities. This includes generating economic growth, helping our communities recover from the Covid-19 pandemic, and supporting the Biosphere and Mission Zero.

This Strategy alone will not lead to effective and efficient procurement; it is the commitment of our councillors, senior managers and staff carrying out procurement activity which is key to its success, and this Strategy shall set the commitment.

Purpose of the Strategy

The purpose of the Strategy is to set the overall context for procurement and contract management in the Council over the next three years, incorporating the latest government procurement legislation and initiatives, and the Council's priorities, aims and objectives.

This Strategy is aimed at promoting effective and efficient procurement across all Council departments and provides a framework of expectations for all areas of the Council in adopting a consistent, comprehensive and robust approach to third party spend. It ensures due compliance and consideration of the Public Contracts Regulations 2015, the Council's Contract Standing Orders (CSOs), the National Procurement Priorities and other associated legislative requirements. Additionally, the Strategy will consider how the Council can actively improve the economic, social, environmental and cultural wellbeing of our communities whilst always striving to achieve value for money.

Strategy approved: 13 October 2022

The Strategy

The Procurement Strategy for 2022-2025 comprises four principal themes;

Local Community Wealth Building

Climate and Environment

Commercial Approach

Skills and Capabilities

Each theme is a foundation of the considerations that need to underpin the procurement process and will be embedded in the way we procure our goods, services and works contracts to support the Council's aspirations as set out in its Corporate Plan. The Skills and Capabilities theme is cross cutting and shall ensure that everyone involved in the council's procurement processes, from staff to suppliers, have the right knowledge and skills to be able to contribute towards the successful delivery of this Strategy.

Local Community Wealth Building

Local Community Wealth Building is an approach to local economic development which redirects wealth back into the local economy (Centre Local Economic Strategies, 2007). The Council has ambitious plans to become a Local Community Wealth Building Council which will involve working in partnership with communities and businesses to create a fair local economy, reducing poverty and inequality. At the centre of the Local Community Wealth Building approach, CLES has developed five pillars for harnessing existing resources. These pillars are:

- **Plural ownership of the economy.**
“Developing and growing small enterprises, community organisations, co-operatives and municipal ownership is important because they are more financially generative for the local economy – locking wealth in place”.
- **Making financial power work for local places.**
“Increase flows of investment within local economies by harnessing and recirculating the wealth that exists, as opposed to attracting capital. This includes redirecting local authority pension funds and supporting mutually owned banks”.
- **Fair employment and just labour markets.**
“Anchor institutions have a defining effect on the prospects of local people. Recruitment from lower income areas and building progression routes all improve local economies”.
- **Progressive procurement of goods and services.**
“Developing dense local supply chains of businesses likely to support local employment and retain wealth locally. These include SMEs, employee-owned businesses, social enterprises, co-operatives and community businesses”.
- **Socially productive use of land and property.**
“Deepen the function and ownership of local assets held by anchor institutions, so that financial and social gain is harnessed by citizens. Develop and extend community use – public sector land and facilities.”

This Strategy shall embed Local Community Wealth Building into the Council's procurement processes and commissioners shall be required to consider how their contracts can encourage as much money as possible to remain within the local economy for the benefit of local communities. Through this Strategy we shall promote progressive procurement of goods and services as means through which greater economic, social and environmental benefits can be achieved. We will do this by using our spend to actively encourage and support a growing, diverse and resilient local business base, and to support our net zero carbon ambitions.

The Council will engage with anchor institutions to encourage the adoption of the Community Wealth principles within their organisation. Anchor institutions are local organisations with significant spending, employment, and economic development power, which could be harnessed to bring increased benefit to our communities. As a result of their scale, anchor institutions have the power to affect the way wealth flows in their local economies by changing the way they spend their money, recruit and train employees and manage their land and assets. The Council commits to working with anchor institutions to help embed the Local Community Wealth Building principles within their own organisations.

We will embed a Local Community Wealth Building approach through applying social value considerations in our procurement processes.

A key method to deliver Local Community Wealth benefits through the procurement process is by using social value criteria as part of the tender process. The Public Services (Social Value) Act 2012 requires all service contracts governed by the Public Contracts Regulations 2015 to be subject to appropriate social value criteria.

The Council has taken this a step further and has included within its CSOs the requirement to informally apply the Act to all contracts with a whole life value of over £25,000, where appropriate. Where this is included in a procurement, it shall be done in a relevant and proportionate way, being mindful of the nature of the contract and the contract value. Social value criteria cannot be used to discriminate on the basis of the geography of a supplier, but can be used to identify community benefits that can be delivered through the contract such as targeted training and recruitment, local educational support initiatives, community and environmental initiatives.

Considerations and expectations of suppliers will, where possible include:

- Supporting the Council with its Community Wealth Building aspiration;
- Targeted recruitment and training initiatives;
- Supporting educational initiatives e.g. offering work experience placements/local school visit to explain what you do/routes to getting into the profession etc;
- Vocational training opportunities i.e. graduate, apprentice and/or trainee placements;
- Support for community and/or environmental initiatives which may be taking place in the local community;
- Supported business, third sector and voluntary initiatives e.g. offering this sector sub-contracting opportunities to deliver elements of the contract;
- Support for equality and diversity initiatives to encourage inclusiveness to achieve both cultural and economic benefits;
- Charitable donations/funding contributions to community activities/facilities;
- Use of local suppliers in the supply chain.

This is not an exhaustive list.

<h2>Local Community Wealth Building Action Plan</h2>		
How will we deliver this theme?	We will do this by:	Target date
We will be explicit in our expectations of suppliers in meeting our Local Community Wealth objectives and we will seek commitments from them through the procurement process.	Updating our tender documentation to capture more information about the local benefits that will be delivered as part of our contracts.	By January 2023
	Working with commissioners to encourage evaluation criteria that clearly sets out what the Council sees as	By December 2022

	valuable in our local area and seeks supplier commitments that meets the council's corporate objectives.	
	Implementing the findings of the Community Wealth Building work that CLES (Centre Local Economic Strategies) has done with the Council.	TBA based on CLES report.
We will include specific, measurable, realistic and timebound targets that will be used to capture the amount of community wealth being delivered as a result of the Council's procurement activity.	Updating our tender documentation to capture information about the local benefits that will be delivered as part of our contracts in a consistent and meaningful way.	By January 2023
	Ensuring that where community wealth and social value expectations and criteria has been built into a procurement, we will also include key performance indicators /reporting measures which will require the supplier to report on their progress in delivering the benefits throughout the lifetime of the contract.	Ongoing
We will develop reporting processes to capture the number of contracts awarded	Developing processes within the procurement and contracts team to collate	By March 2023

locally and the amount of spend with local suppliers. The aim will be to see this increase throughout the term of the Strategy as community wealth building activities start to embed.	and report on data relating to local spend (direct and indirect) and local contract awards.	
We will work with anchor institutions to ensure, as far as possible, the adoption of the Community Wealth principles within their organisations.	Implementing the findings of the Community Wealth Building work that CLES (Centre Local Economic Strategies) has done with the Council, which will include work with Anchor Institutions.	TBA based on CLES report.
We will ensure that our procurement processes are structured in such a way to support the delivery of this theme, where possible.	Promoting the use of Prior Information Notices to engage SMEs prior to the commencement of the procurement process.	Ongoing
	Being mindful of the way in which we run and structure a procurement, such as breaking up larger contracts into smaller packages of work, so that our contract opportunities are accessible for SMEs.	Ongoing
We will ensure that our procurement documents are streamlined and easy to understand	Reviewing the council's suite of procurement documents and refreshing the format and language used.	By February 2023

<p>We will ensure that our procurement policy supports the delivery of this strategy theme.</p>	<p>Reviewing Contract Standing Orders to ensure they maximise the benefit to Island-based local partners/businesses to create a cyclical model of community wealth generation.</p>	<p>By August 2023</p>
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Climate and Environment

The Council declared a climate emergency in July 2019 and asserted its commitment to tackling climate change by setting a target of achieving net-zero emissions in its own operations by 2030 and by no later than 2040 across the Island.

As an Area of Outstanding Natural Beauty and a UNESCO Biosphere Reserve it is particularly important to reduce the impacts of climate change and preserve the natural environment in any way possible and we will do this through ensuring that tackling climate change and improving sustainability is a key consideration for all procurement activity. The Council will look to ensure that the goods it buys are as sustainable as possible and, where relevant, will take social and environmental factors into consideration alongside financial factors in making purchasing decisions. Where appropriate, this will be extended to evaluate environmental management through supply chains in relation to how our Suppliers will encourage sustainability amongst its sub-contractors.

The Council commits that SMEs shall not be unduly penalised for not having processes already established for measuring and reporting on their carbon footprint and where needed, will work with organisations to help them with their carbon reduction activities in a collaborative, supportive way. Any evaluation criteria, specification requirements, key performance indicators or general reporting requirements shall be relevant and proportionate to the subject matter of the contract and we will ensure that our processes remain accessible to SMEs.

Considerations and expectations of suppliers will, where possible, include:

- Support our goal of net-zero emissions by 2030 and reduce carbon emissions from contracted services;
- Minimisation/eradication of single use plastics;
- Energy-efficient and climate friendly products;
- Products that are water efficient and reduce water use;
- Less toxic products to reduce health effects;
- Products using less packaging or with a provision for packaging take-back;
- Products that use fewer resources or in other ways create reduced environmental impacts throughout their life cycle;

- Products made from recycled materials, such as recycled road construction materials and recycled green organics and recycled plastic products;
- Lessen environmental impacts across design, construction and operation, as well as services and goods provision;
- Integrate environmental considerations throughout the procurement process, from options appraisal to contract delivery, applying appropriate significance;
- Reduce energy consumption and maximise the use of green energy sources;
- Avoid the unnecessary use of chemicals and prevent the use of hazardous chemicals wherever possible within our contracted services;
- Support options that encourage green infrastructure and biodiversity;
- Support adaptation to, or are adapted to manage, a changing climate.

This is not an exhaustive list.

Throughout the term of this Strategy, the Council shall expect Suppliers to demonstrate a commitment to reducing their overall environmental impact (including, but not limited to, greenhouse gas emissions, waste, or water footprints). This could be through one or more of the following methods:

- Ongoing participation in an environmental programme (e.g. the Green Impact Programme)
- Internal reporting on environmental impacts and progress towards reducing them (e.g. annual carbon footprints and a summary of actions taken over the year)
- Receipt and ongoing maintenance of an environmental certification (e.g. B Corp certification)
- Receipt of a sustainability award within the last 12 months, depending on relevance of award to contract (e.g. Sustainable Business Awards, Responsible Business Awards)
- Other evidence may also be considered depending on the nature of the business

The application of these expectations shall be relevant and proportionate to the subject matter of the contract. Where a Supplier does not currently hold any of the above, the Council will also consider future participation, for at least the duration of the contract, in a free environmental programme as an indicator of their commitment towards reducing their overall environmental impact.

Climate and Environment Action Plan

How will we deliver this theme?	We will do this by:	Target date
We will be explicit in our expectations of Suppliers in meeting our Climate and Environment objectives and we will seek commitments from them through the procurement process.	Updating the Procurement Initiation Document to be clearer to commissioners on the importance of including climate and environment related evaluation criteria, specification requirements and performance measures. This will include making it a mandatory consideration for every procurement run by the council.	By November 2022
	Updating our tender documentation to require tenderers to demonstrate their strategies to reduce carbon in their operations and in their supply chain.	By November 2022
We will include specific, measurable, realistic and timebound targets that will be used to capture the activities contributing to the Council's net carbon zero aspirations that are being delivered	Ensuring that where climate and environment expectations and criteria has been built into a procurement, we will also include key performance indicators/reporting measures which will	Ongoing

through the Council's procurement activity.	require the supplier to report on their progress in delivering the benefits throughout the lifetime of the contract.	
	Working with the sustainability team and the climate change team to put in place a process for collecting carbon emissions data from Suppliers that are within scope (where they are not already reporting on this information).	By February 2023

Commercial Approach

In May 2022 the Council launched its Commercialisation Strategy which harnesses greater innovation, financial flexibility, commercial awareness, prudent risk management and the effective use of new technologies. Commercialisation will be embraced and delivered throughout the organisation, with opportunities identified and realised wherever possible and this Strategy will embed this approach into the Council's contract and procurement activity. The Council views commercialism as the ability to manage services well and efficiently and be entrepreneurial and innovative in generating vital funds to be able to protect essential services and deliver the best value for our communities and customers.

The selection of an appropriate service delivery model at the outset of a project has a significant impact on the Council's ability to achieve good service levels and value for money. Commissioners will be encouraged to consider and justify the chosen delivery model which should be informed through market analysis and engagement. Early engagement with the market will help to gain insight into alternative ways of working or innovative solutions which we may be unfamiliar with. Market consultations should be transparent and non-discriminatory and must not prejudice any subsequent procurement process.

Embedding the Council's commercialisation agenda into its contract and procurement activity will also include maximising value for money from contractual relationships through robust contract management.

Contract management is the proactive monitoring, review and management of contractual terms with a supplier, secured through the commissioning or procurement process. It is important that contracts are adequately managed to ensure that they deliver outcomes in line with contract commitments and that value for money is achieved.

The contract management process includes:

- **Managing Service Delivery**

To ensure that the contract is performed in line with the specification and the supplier offer.

- **Managing the Relationship**

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To ensure a good commercial relationship is maintained with the supplier.

- **Managing the Contract**

To ensure the contract is performed and monitored in line with the contract terms and conditions and performance monitoring regime.

- **Managing Improvements**

To ensure that improvements are made where opportunity for efficiencies have been identified or where contract performance is not adequate.

- **Managing Change**

To ensure that any changes to the contractual arrangements are properly agreed and documented and do not breach procurement regulations.

Effective contract management will protect the Council's commercial interests and will ensure that:

- outcomes, inputs and outputs agreed at the outset are delivered in a timely and cost-effective manner;
- issues of non-compliance or variation are picked up early and are either dealt with or escalated for resolution as appropriate and remedies applied as necessary;
- contract costs and risks are managed in a timely proactive fashion, reviews are undertaken and lessons learnt are fed back into the commissioning and procurement process to ensure continuous improvement;
- we only pay for services delivered.

Commercial Approach Action Plan

How will we deliver this theme?	We will do this by:	Target date
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<p>We will work with Commissioning staff to consider delivery models, route to market and contracting mechanisms.</p>	<p>Working with the commercialisation agenda lead officer to update the Procurement Initiation Document to provide a framework of considerations and options that can help inform their procurements.</p>	<p>By November 2022</p>
<p>We will promote the Council's Contract Management Framework and Toolkit which has been developed to assist officers in setting robust contract performance monitoring regimes, managing relationships with suppliers and to provide a structure for recording contract compliance.</p>	<p>Promoting the Contract Management Framework and Toolkit through the Vine, Manager's Brief and commissioner network</p>	<p>Ongoing</p>
<p>We will continue to develop the Council's Contract Monitoring System which will be a central system whereby the contract performance will be monitored, allow the early detection of poor performance which can be remedied quickly in line with the contract arrangements.</p>	<p>Engaging with commissioners pre procurement to demonstrate the benefits of the system and encourage its use to monitor contract performance.</p>	<p>Ongoing</p>
	<p>Engaging with contract managers to encourage existing contracts to be added to the system.</p>	<p>Ongoing</p>
<p>We will use contract monitoring data to assist with greater strategic planning for contracts</p>	<p>Working with commissioners and contract managers to</p>	<p>Ongoing</p>

that are due to expire, enabling effective options appraisal to be undertaken and new/creative solutions to be identified.	demonstrate the benefits of using the data in the Contract Monitoring System and develop the use of the reporting aspects of the system.	
We will ensure that our procurement policy supports the delivery of this strategy theme.	Reviewing Contract Standing Orders to ensure they are fit for purpose and supportive of this Procurement Strategy, the Commercialisation Strategy and the Corporate Plan.	By August 2023

Skills and Capabilities

Staff

Having the right skills and capabilities within the Council is a cross cutting theme that will support the successful delivery of the Strategy and the other three themes. It is important that the Council has sufficient procurement and contract management skills and capabilities embedded in the organisation to ensure taxpayers' money is spent effectively and efficiently. A local workforce with adequate skills and capabilities is crucial for achieving the strategic objectives set out in the Corporate Plan and its supporting strategies. Successful procurement and contract management requires staff who possess a wide range of skills and competencies, including project management and risk management skills and this Strategy shall focus on this as an enabler for the success delivery of the Strategy over its term.

The conclusion of the Brexit transition period on 1 January 2021 means that the UK is no longer a member of the EU and therefore the EU Public Contracts Directive 2014 no longer applies to public sector procurement. The UK is now a member of the World Trade Organisation's (WTO) Government Procurement Agreement (GPA) and other than a few procedural changes, the UK continues to follow the Public Contracts Regulations 2015 which were adopted to implement the EU Public Contracts Directive 2014. Following the UK's exit from the EU, the Cabinet Office have developed and consulted on a new procurement regime which is intended to:

- *“Create a simpler and more flexible, commercial system that better meets our country's needs while remaining compliant with our international obligation;*
- *Open up public procurement to new entrants such as small businesses and social enterprises so that they can compete for and win more public contract;*
- *Embed transparency throughout the commercial lifecycle so that the spending of taxpayers' money can be properly scrutinised”.*

(Government Commercial Function, April 2022).

This strategy is mindful of these forthcoming changes and will ensure that the changes, which are expected sometime in 2023, are embedded into the Council's policy and

procedures and that the procurement and contracts team has the necessary skills and capabilities to work to the new regime.

Suppliers

We appreciate that the prospect of participating in a tender process can appear to be a daunting task for some Suppliers and breaking down these real and perceived barriers shall be a focus of this Strategy.

Through the delivery of this Strategy, we commit to reviewing our procurement processes to ensure that they are fit for purpose, lean and accessible to all Supplier's who wish to do business with the Council. We will always work to increase understanding for the need for appropriate rules when spending public money.

We want to ensure that our prospective suppliers have the right skills and capabilities to bid for the Council's contracts and recognise the importance of this to help us deliver the aspirations of this Strategy.

We recognise that SMEs and VCSEs play a big role in creating jobs, fostering economic growth, social stability and are a valuable source of innovation and the Council plays an important role in encouraging the establishment and growth of SMEs and VCSEs in the local area.

Skills and Capabilities Action Plan			
	How will we deliver this theme?	We will do this by:	Target date
Staff	We will do this by reviewing and enhancing the training offered to staff involved in procurement and contract management activities and will cover	Working with learning and development to add bitesize training packages to the Learning Hub.	By September 2023
		Setting up regular 'drop in' sessions to be set up for commissioners on key	By April 2023

	all aspects of the procurement life cycle.	procurement and contract matters.	
		Updating the in-house four-day training programme to cover the themes of this strategy.	By February 2023
	We will review and enhance the guidance available to staff to assist with procurement and contract management activity. This will have a particular focus on how to deliver the aims of this Strategy and the Council's Corporate Plan.	Creating guidance on climate and environment considerations for Council staff involved in procurement and contract activity to assist them with their understanding of environmental issues and the benefits that it can bring when applied appropriately in a procurement process. This will also include guidance on managing a supplier to ensure delivery of their climate and environment contract commitments.	By April 2023
		Creating guidance on the inclusion of community wealth building and social value criteria into the procurement process and the subsequent management of the supplier in relation to their commitments.	By April 2023
		Creating guidance for Council commissioning staff on the different delivery models, routes to	By April 2023

		market and contracting mechanisms.	
	We will develop training and guidance for sub £25,000 procurement and contract management activity.	Providing templates and guidance for commissioning and contract management staff to use for sub £25k procurements.	
		Working with learning and development to create a training module to go on to the Learning Hub for sub £25k procurements.	By September 2023
	We will ensure that the procurement and contracts team keep up to date with forthcoming changes to the public sector procurement regime to enable the changes to be implemented successfully.	Taking advantage of the learning and development programme that will be run by the Cabinet Office to support those operating within the new regime.	TBC – dependent on Cabinet Office timetable
Suppliers	We will do this by reviewing our procurement processes to ensure they are fit for purpose and accessible to SMEs and VCSEs.	Reviewing of Contract Standing Orders to ensure they enable processes that are accessible to SMEs and VCSEs.	By August 2023
		Reviewing stage 1 evaluation criteria to ensure there are no unnecessary barriers to SMEs and VCSEs.	By January 2023
	We will develop guidance for Suppliers to	Creating guidance on climate and environment to	By June 2023

	<p>help them understand the Council's procurement processes. This will have a particular focus on how they can help the Council to realise this Strategy through the delivery of their contracts for the Council.</p>	<p>assist Suppliers with their understanding of the Council's aspirations in relation to this theme. This will also include supporting SMEs to develop processes to capture carbon emission data and guidance on activities to reduce their carbon footprint.</p>	
		<p>Creating guidance on Local Community Wealth Building and social value to assist Suppliers with their understanding of the Council's aspirations in relation to this theme. This will include setting out what the Council sees as being valuable locally which will assist Suppliers with their tender submissions.</p>	<p>By June 2023</p>

Our Procurement Principles

Supplementary to the themes set out in this Strategy is the Council's procurement principles. These are the principles that will guide how we conduct and further develop our procurement and contract management activities. In any procurement, the Council will ensure that its approach to the market is consistent with these principles.

Value for money

Competitive procurement remains the cornerstone of the Council's procurement approach as this is considered to be the fairest way of awarding contracts and will deliver value for money for the Council and its community in the most transparent way. There may be circumstances where a direct contract with a sole supplier will be appropriate; however, no direct contracts will be placed where it will contravene the requirements of the Public Contract Regulations 2015.

The Council will aim to increase value for money and reduce processing costs, conducting its procurement processes in a proportionate and efficient way, following the most appropriate route to market for the requirement.

The Council will take a long-term strategic view of the procurement of its requirements, including the potential for innovative funding, opportunities for working with other authorities where goods and services can be procured more cost-effectively in a collaborative group.

The Council will take a proactive approach to monitoring, reviewing and managing its contractual arrangements with its suppliers. This will ensure that contracts are adequately managed to ensure that they deliver outcomes in line with contract commitments and that value for money is achieved.

Our conduct

The Council shall observe its Constitution, Contract Standing Orders, the Public Contract Regulations 2015 and the National Procurement Priorities when carrying out its procurement and contract management activity.

The Council will preserve the highest standards of honesty, integrity, impartiality and objectivity and shall carry out all of its procurements with the highest standard of probity and ethics.

In selecting suppliers, the Council will generally evaluate offers received on the basis of the Most Economically Advantageous Tender and will take into account, where appropriate, whole life costing seeking an appropriate balance between cost and quality.

Throughout any procurement the Council will be clear about the outcomes and objectives it wants to achieve.

The Council's required outcomes from each procurement project will be properly assessed in relation to the Council's priorities, other statutory requirements and affordability.

The assessment of risk associated with each procurement project will aim to achieve a balance with commercial outcomes and placing risk where it is best managed.

The Council's procurement processes shall be proportionate to the size and scope of the procurement.

Wherever possible, requirements will be expressed in terms of outcomes and performance to provide scope for supplier innovation.

Equality

Spending by the Council sustains and maintains a significant number of jobs on the Isle of Wight. The Council has a statutory duty to ensure that public money is spent in a way that ensures value for money and does not lead to unfair discrimination and social exclusion.

The promotion of equality in procurement will help the Council to:

- Improve the overall value for money for the Council in terms of the goods, works and services they purchase
- Improve the quality, responsiveness and appropriateness of our services.
- Ensure that public money is not spent on practices which lead to unfair discrimination to sections of the Island.
- Create a diverse and integrated workforce.
- Deliver more responsive and flexible services in combating social exclusion and building stronger and cohesive communities.
- Encourage other organisations to promote and practice the Council's policies on equality.

The Council is committed to meeting the requirements of The Equality Act 2010 as prescribed by law. As such we expect that businesses who provide services to and on behalf of the Council through a Contract have due regard to:

- Eliminating unlawful discrimination;
- Advancing equality of opportunity;
- Fostering good relations when exercising our functions.

All bidders wishing to provide goods and services to and on behalf of the Council are required to satisfy the Isle of Wight Council that they meet a minimum requirement in respect of Equality and Diversity practice as set out in the commissioning documents.

Equality issues shall be considered as a key requirement in any contract which involves direct contact with the public or where the supplier is acting on the Council's behalf in a public environment.

As part of the tender evaluation and contracting processes, the Council will take into account a potential supplier's approach to equalities in terms of its employment practices and service delivery, which will also be monitored and managed during the life of each contract.

The Council's procurement processes and documentation will reflect the Council's Equalities and Diversity Policy.

The Council monitors a supplier's compliance with equality and diversity in two ways:

- **before awarding a contract** - by asking equalities questions either prior to or during the tender process. If responses do not satisfy the Council's criteria, the supplier may not be shortlist or awarded a contract;
- **after awarding a contract** - by including contract conditions on equality in all Council contracts, and by monitoring a supplier's performance and compliance with those conditions.

Health and safety

The degree to which health and safety requirements are specified within procurement documentation will vary according to the goods, services or works being procured. For example, particular health and safety legislation applies in the context of construction. The potential health and safety risks arising from a contract will be assessed on a case by case basis. The Council will ask suppliers to provide evidence to demonstrate that their organisation complies with current health and safety legislation and actively promotes and manages good health and safety practice as required.

Where particular health and safety risks are identified, suppliers will be asked as part of the procurement process to provide information on the measures that they would put in place in response to the identified risks. The Council will monitor contracts to ensure compliance with health and safety requirements.

General Data Protection Regulation (GDPR)

New data protection legislation came into force during 2018, which aims to protect the privacy of all EU citizens and prevent data breaches. It will apply to any public or private organisation processing personal data.

Prior to the tender process commencing, commissioners will be required to complete a Data Protection Impact Assessment (DPIA), where required.

During the tender process the Council will establish that any supplier participating in the procurement process complies with the GDPR.

In procurements where the successful supplier will be required to process data on the Council's behalf we will include technical security requirements in order to protect personal data. Where appropriate, contracts will contain appropriate data processing obligations within the contract in accordance with the GDPR, data processing schedules setting out the responsibilities of the parties to the agreement and how the data will be managed and returned/destroyed at the end of the agreement.

The Council has a statutory duty to have regard to the Surveillance Camera code of practice issued by the Biometrics and Surveillance Commissioner when surveillance cameras as defined by the Protection of Freedom Act 2012 are deployed or used. This duty extends to ensuring that any third party that discharges the Council's relevant functions have regard to the code when performing our functions. The Council will ensure that any contractual provisions that it enters into with Suppliers requires them to have regard to the code.

Modern Slavery

Modern slavery is often a hidden crime involving one person denying another person his or her freedom. It includes slavery, servitude, forced and compulsory labour and human trafficking.

To tackle these crimes, the Modern Slavery Act 2015 (the Act) was introduced. The Act consolidates and clarifies modern slavery offences; toughens penalties and prosecution; and introduces greater support and protection for victims.

The prevention, detection and reporting of modern slavery in any part of the council's business or supply chains is the responsibility of all those working for the council. It is important that we consider modern slavery when we are letting and managing our contracts and the mitigation of modern slavery risks should be considered throughout the procurement process.

Some contracts will carry a higher risk in terms of where modern slavery can present itself. Additional evaluation and contract monitoring criteria can be built into the procurement process to enable a proper and thorough assessment of suppliers to ensure they are compliant with the Act and that they are monitoring their supply chains as well.

Section 54 of the Modern Slavery Act 2015 requires large employers to produce a modern slavery statement each financial year. The council's modern slavery statement can be viewed [here](#).

During the tender process the Council will establish that any supplier participating in the procurement process complies with the Modern Slavery Act, where applicable.

The Council monitors a supplier's compliance with the Modern Slavery Act in a number of ways:

- Adopted the standard documentation and wording provided by Government via Crown Commercial Services in its OJEU and high risk sub-OJEU procurement documentation.
- The Supplier Assessment Questionnaire is in two parts:
 - **Part 1** simply verifies whether the supplier is caught by the legislation (i.e. if its annual turnover is £36m or more).
 - **Part 2** then seeks to confirm that any supplier caught by the legislation is compliant with their annual reporting obligations.
- Rejecting suppliers in these procurement exercises that do not meet the minimum standards required by law;
- Regardless of contract value, challenging abnormally low tenders or quotations received to ensure no breaches of labour laws or human trafficking are taking place;
- Using standard contract terms and conditions that contain provisions to terminate contracts for a breach of Public Contracts Regulations 2015 (including child labour and other forms of human trafficking), and if there is a risk or a genuine belief that reputational damage to the Council will occur as a result of the contract continuing.

Cyber and supply chain security

The Council is aware of the importance of effectively securing itself, its supplier's and the supply chain against cyber-attacks and this shall be a key consideration for Commissioners

in the pre procurement planning stages of the process. These considerations will apply where the loss or corruption of any information or supplier would cause significant impact to service delivery or reputational damage to the Council.

The Council will ensure that Suppliers (including sub-contractors) have in place relevant technical, physical and organisational measures to protect the Council's data and systems. This will be done by ensuring the presence of proportionate cyber security controls which will be assessed during the procurement process and maintained during the term of any resulting contract through robust contract clauses.

Consultation and Engagement

The Council will, as appropriate, consult with parties who will potentially be affected by the outcome of a tender process, or who it believes can positively contribute to planning stages of a procurement process. The Council may consider consultation with (for example):

- The marketplace;
- Customers/service users;
- Community representatives;
- Internal stakeholders.

Consultation and engagement will be conducted in an open, equal and inclusive manner.

The decision on when to consult and engage before a tender process will be taken on a contract-by-contract basis and may for example be undertaken when:

- The Council is tendering for a brand new requirement;
- The delivery of the contract may affect a local community for example during the construction of a new property which may mean local communities having access issues/noise issues/travel disruption;
- Where the contract may have a significant impact on service users of the contract and we may want to seek views/comments and opinions from customers or service users of the contract. This would also include ensuring all engagement accommodates the needs of a range of service users, such as those who have limited mobility;

- When the Council may want to investigate the possibility of including community benefits to a specific contract and need to understand the needs of a specific area/community.

Any form of consultation and engagement shall be designed to add value to a procurement process and the intention and desired outcomes of the consultation and engagement shall be clearly communicated to those involved in the process.

The Council will maintain a pipeline of forthcoming procurement opportunities over an 18-month period on its web pages (www.iwight.com/council/procurement).

The Council will consider the use of Prior Information Notices to make the market aware of our future tendering plans.