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West Yorkshire Fire and Rescue Authority

Procurement Strategy and Policy

2022-2025



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1 Introduction

The role of the Procurement function within West Yorkshire Fire and Rescue Authority (WYFRA) is to ensure application of its commitment to providing best value in terms of quality and cost. The Procurement Strategy and Policy identifies the function's priorities aligned with local, regional and national procurement policy and the critical actions required to deliver the Strategy.

WYFRA recognises the importance of a professional procurement department which provides effective support, structure and guidance in regard to the compliant purchasing of goods, services and works.

This Strategy sets out a clear framework for compliant procurement throughout WYFRA which adequately reflects the Home Office collaborative agenda, the Authority's CRMP (Community Risk Management Plan), adherence to internal Contract Procedure Rules (CPR) and Financial Procedure Rules (FPR) and the Authority's commitment to sustainable procurement.

WYFRA's ambition is to make West Yorkshire safer and its aim is to improve community safety and wellbeing reducing risk to life, property and the environment from fire and other emergencies. The Procurement department's key priority is to work efficiently to provide value for money and make the best use of reserves to provide an effective service to the communities WYFRA serves.

2 Background

At the time of writing this Strategy and Policy, WYFRA employs 1414 people (1100 firefighters, 314 support staff) and provides a 24/7 emergency service with a fleet of 140 operational vehicles comprising 66 Pumping Appliances, 5 Aerial Appliances, 2 Command Units plus 67 other vehicles operating out of 40 fire stations with a central command and control centre and specialised Training and Development department based at Birkenshaw HQ.

WYFRA spends on average between £18m - £20m each year with Suppliers and Contractors for a range of goods, services and/or works.

The impact of procurement is far greater than a simple definition of a process. The principles set out in this Strategy illustrate the positive effect that compliant and efficient procurement makes to the communities WYFRA serves considering socio-economic agendas such as equality and diversity, local economy, community benefit and reducing environmental impact.

Purchasing of goods, services and/or works represents a significant interface with the economic community on a local, regional and national level.

Effective procurement of goods, services and/or works to support front line service provision is vital in order for WYFRA to meet its core ambition and aims. This Strategy applies to all external procurement and commissioning of goods, services and/or works.

3 Procurement in West Yorkshire Fire and Rescue Authority

The term 'Procurement' has a far broader meaning than simply buying products. Procurement is defined as the efficient acquisition of appropriate goods, services and/or works that provide the best possible value taking into account quality and cost during the life cycle of what is being procured.

The procurement process spans the whole life cycle of a product or service from identification of the requirement through to the useful life of a product or service (also defined as an asset). WYFRA's procurement processes promote fair and transparent competition, minimising exposure to fraud and collusion by effectively managing commercial risk and ensuring optimum value for money.

Procurement activity must comply with internal CPR , FPR and relevant legislative requirements (the framework of rules for procurement is determined by UK Procurement Directives and Law of which compliance is mandatory) which provide a robust governance framework. As a public sector body, WYFRA is subject to PCR that require all suppliers to be treated equally, fairly and without discrimination and to act in a transparent, proportionate manner without artificially distorting competition.

The Procurement department provides a professional internal support service to efficiently plan, design, commission and manage purchasing activity with an emphasis on quality, safety and reliability rather than simply the cheapest cost.

This Strategy and Policy will periodically be reviewed for compliance and to ensure continued relevance.

4 Procurement Principles

Fundamental to this Strategy are procurement principles which guide WYFRA as to how Procurement is conducted. WYFRA's approach to procurement must:

- Ensure effective and efficient procurement control and management;
- Deliver a flexible, cost effective and fit for purpose support service to internal customers;
- Deliver value for money via modern, economically and socially responsible practice, ensuring fairness and transparency;
- Increase professionalism and commercial skill in regard to procurement activity;
- Maximise sustainability and embrace collaborative opportunities in all procurement activity;
- Provide opportunities to local and SME's (Small to Medium Enterprises) suppliers to participate by increasing visibility of procurement plans and opportunities;
- Deliver cost savings and efficiencies;
- Monitor and measure procurement performance, promoting continuous improvement;
- Improve stakeholder and supply chain engagement.

4.1 General

For all procurement activity, the outcomes and objectives to be achieved and the steps that will achieve them must be clear. The assessment of risk associated with any procurement activity must be assessed and minimised accordingly.

Procurement activity should be adequately planned and consideration given to the resources required to achieve the appropriate and required outcome. Wherever possible, requirements will be expressed in terms of outcome and performance to provide scope for innovation.

The consistent use of corporate contracts and contracted suppliers across a wide range of Areas, whenever possible, ensures that risk is reduced i.e. the contracted suppliers have been evaluated, governance and due diligence has been undertaken and internal systems have been set up to receive and promptly pay invoices. The Procurement department will assist in undertaking the appropriate process to ensure that improved terms e.g. extended warranty and improved pricing or fixed pricing for the term of the contract are applied. Failure to use contracted suppliers and/or existing arrangements increases transactions costs and should be avoided.

4.2 Value for money

Procurement procedures should focus on enabling the achievement of value for money in terms of both quality and cost. Whole life costing methodologies should be used when appropriate i.e. consideration of the life cycle cost associated with any purchase. An example may be the procurement of a fire appliance – costs associated with spare parts, ongoing maintenance and disposal must be considered.

4.3 Collaboration

Collaborative working (locally, regionally and nationally) will provide the opportunity for working with other fire authorities and public sector bodies i.e. one lead authority can manage a large scale procurement exercise on behalf of the Yorkshire and Humber region.

WYFRA will review all options for the procurement of goods, services and/or works and consider potential collaboration with other fire authorities, local authorities, Consortia and the private sector where appropriate. WYFRA will continue to promote and invest in existing collaborative arrangements.

The Procurement department will continue to identify potential collaborative Contracts, alignment of expiry dates of existing arrangements and mutual support and guidance in terms of procurement best practice.

4.4 E-Procurement

E-procurement systems streamline all aspects of the purchasing process. All WYFRA's procurement activity above £9,999 should be processed via the appropriate electronic financial or e-procurement system.

WYFRA processes transactions electronically whenever possible. E-procurement solutions that provide efficiencies will be implemented and utilised when appropriate to deliver lower transaction costs, reduce off-contract spend* and minimise paperwork therefore providing efficiencies and environmental benefits.

Suppliers are encouraged to register on WYFRA's e-procurement system. The Procurement department will ensure guidance, support and training for staff is provided where necessary and will assist and/or facilitate the procurement process via the e-procurement system.

**Off-contract spend is expenditure for goods, services and/or works from a source outside of a formal existing or compliant arrangement.*

4.5 Sustainable Procurement

Sustainable procurement is not simply about purchasing environmentally friendly products. Procurement activity should support and underpin WYFRA's Safety, Health and Environmental, Environmental Management and Climate Change Policies and Strategies.

Suppliers are encouraged to adopt practices that minimise their environmental impact and deliver community benefits in relation to their own operations and throughout their supply chain.

Sustainability enhancements and targets both internally and with the supply chain will be sought to support continuous improvement.

SME's, local suppliers and the voluntary sector are encouraged to bid for appropriate contracts.

Whole life costs are to be considered when making purchases or tendering, to investigate not only the product purchased but also maintenance, re-use and disposal etc. to ensure value for money is achieved.

WYFRA aims to reduce the amount of waste going to landfill by encouraging re-cycling of reusable materials and minimise waste generally by encouraging staff, stakeholders and Suppliers to consider whether a product or service is required before they buy.

4.6 Equality & Diversity

Promoting equality and diversity throughout the procurement process and supply chain is a crucial objective for WYFRA. Fairness, transparency, honesty, integrity, impartiality and objectivity must be clearly evidenced in all procurement decisions.

Compliance with the requirements of the Equality Act 2010 is mandatory and will be considered appropriately in each procurement process, ensuring that consideration is given to ensure that suppliers follow best practice and adhere to the principles of non-discrimination in regard to age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation.

4.7 Social Value

Compliance with the requirements of the Social Value Act 2012 is mandatory and requires WYFRA to take into account economic, social and environmental well-being in connection with public sector contracting arrangements (where appropriate).

WYFRA seeks to make a positive contribution towards social inclusion, securing improvements to the environment and minimising environmental impact through its procurement activity. Evaluation criteria involving social considerations will be used as part of the tender evaluation process (where appropriate).

In all contracts awarded, WYFRA expects suppliers to commit to pay their employees at least the National Living Wage.

4.8 Modern Slavery

Modern slavery is a criminal offence under the Modern Slavery Act 2015 and can occur in various forms, including servitude, forced or compulsory labour and human trafficking. All of these involve the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain. WYFRA is committed to acting ethically and with integrity with a zero tolerance approach and to implementing and maintaining effective systems and controls to ensure that Modern Slavery is not taking place in the supply chain.

4.9 Consultation with Stakeholders

Appropriate consultation will take place when making procurement decisions, ensuring that consideration is proportionate to the scale, complexity and value of the requirement. Different stakeholders may be required at different stages of the procurement process. Stakeholders may include internal and external members, staff, service users, representative bodies, suppliers and other WYFRA and UK Fire and Rescue staff.

4.10 Training and Development

The Procurement department will deliver procurement training, guidance and advice at a local level as required within WYFRA to raise awareness and improve compliance with procurement rules and regulations.

4.11 Risk

When contracts are awarded the level of risk to WYFRA is assessed and scored as low, medium or high risk. Each contract is subsequently managed commensurate with risks, available resources and the need for any further risk mitigation.

The following table illustrates typical risk mitigation measures that may be employed for each level of identified risk, e.g. where a particular supply chain is high risk.

CONTRACT RISK ASSESSMENT	CONTRACT MANAGEMENT
High Risk	<ul style="list-style-type: none">• Close Supplier Liaison• Performance Management and Monitoring• Appropriate Contractual Safeguards e.g. Parent Company Guarantees / Performance Bonds• Fee Retention / Warranties• Stocks held in stores• Contract split across multiple suppliers
Medium Risk	<ul style="list-style-type: none">• Supplier liaison• Performance Management and Monitoring• Appropriate Contractual Safeguards e.g. Parent Company Guarantees / Performance Bonds• Fee Retention / Warranties• Stocks held in Stores• Alternative suppliers Identified
Low Risk	<ul style="list-style-type: none">• Light touch e.g. sample checks; occasional review meetings with suppliers etc.

WYFRA operates a central Stores department for service critical supplies which helps to mitigate any short-term supply risks and enables rapid gearing up in emergency situations that are large scale or prolonged in duration.

Fraud Avoidance

WYFRA recognises that when procuring goods, services and/or works there is the potential for fraudulent activity to occur. This will be managed by ensuring that fair and transparent procurement processes are implemented and followed accordingly with annual audit procedures in place.

The detection, prevention and reporting of fraud is the responsibility of all Members and employees of WYFRA. All are expected to:

- Act with integrity;
- Comply with all relevant codes of conduct;
- Comply with CPR and FPR;
- Raise concerns as soon as impropriety is suspected via the Whistleblowing Policy.

Members, employees and/or the general public are encouraged to raise concerns they may have in respect of fraud and corruption via:

- Line Managers
- Internal Audit
- Directors
- Chief Fire Officer
- Members

Business Continuity Planning (BCP)

BCP is an integral part of the business planning strategy utilised throughout WYFRA. Procurement projects must seek to protect all services and functions by increasing levels of preparedness and reduce risk to the organisation via a proactive approach to BCP.

Suppliers are strongly encouraged to follow the same philosophy and consideration within complex, high value procurement projects.

5 Controls and Standards

WYFRA adopts a Category Management approach, where possible, to analyse and manage markets, using appropriate tools and techniques to procure goods, services and works from suppliers that range from office supplies, building maintenance and computer systems through to specialist operational fire fighting equipment, breathing apparatus and fire fighting vehicles. The nature of our business makes it vital that WYFRA has the right supplies in the right place at the necessary time.

WYFRA shares knowledge, experience, best practice and management information with other blue light, local and national authorities for mutual benefit.

A Contracts Register is maintained and used to manage procurement activity. The Contracts Register is updated regularly and is regularly published on the procurement page of WYFRA's web site.

Contracts are awarded based on the principle of "most economically advantageous tender" (MEAT) which enables WYFRA to take account of quality criteria (qualitative, technical and sustainable) as well as cost. The quality of supplies and services can be critical to the wellbeing of our firefighters and the safeguarding of the public. It is imperative that WYFRA can respond to emergency situations rapidly and without any failures in processes, systems, supplies or equipment. Relevant Health & Safety and European / British Standards applicable to the procurement are detailed in specifications.

As a rule, procurement processes place greater emphasis on quality than price within budgetary constraints, but each procurement exercise is appropriately managed on a case-by-case basis, with award criteria and evaluation methodologies clearly communicated to suppliers at the time of tendering.

WYFRA operates a fleet of fire appliances and support vehicles that are maintained in-house to a high standard via the Transport and Logistics department with a workshop store that is located within the vehicle servicing workshop enabling vehicles to be maintained and serviced without undue delay.

Both central Stores and workshop stores are integral to WYFRA's Procurement and Risk Management Strategy.

Continuous Improvement

Procurement performance will be monitored at a departmental level and will identify areas of good performance and areas for development. At times, internal customers may be requested to complete satisfaction questionnaires and will always be encouraged to provide feedback (both positive and constructive criticism) on an ongoing basis to the Procurement Manager or the Chief Finance and Procurement Officer. Constructive feedback will be used to develop and progress continuous improvement initiatives.

The Procurement department will ensure that all relevant accreditations and qualifications are kept up to date and will operate in a professional manner ensuring the highest of standards and probity are upheld Chartered Institution of Purchasing and Supply (CIPS) code of conduct).

Support and advice will be sought from industry experts and other fire authorities to gain experience and upskilling if appropriate.

Departmental Action Plan

A Procurement Action Plan is in place and updated regularly (refer to Section 8).

Savings Log

The Authority records all savings on a savings log and reports regularly to Board and Committee Members.

6 Application of Policy and Strategy

The estimated total value of the requirement (for as long as the contract will be in place) will determine which procedures are permitted under PCR and are required in CPR.

Prior to commencing a procurement exercise, the Procurement department will assist in undertaking an options appraisal to identify the most appropriate route to market as necessary.

Primary considerations are given to prevailing market conditions and whether framework agreements exist, awarded by other fire authorities or through other public sector authorities that WYFRA are permitted to access.

Collaboration is an effective procurement tool which can achieve economies of scale by collaborating through framework agreements with other public sector authorities or jointly procuring requirements with regional partners.

The Authority will endeavour to award contracts through framework agreements where this offers demonstrable value for money and meet the needs of WYFRA and will contribute knowledge and experience to framework agreement development increasing the likelihood of the arrangement meeting WYFRA's requirements.

The benefits of using framework agreements include:

- Provide greater collaboration (Regionally and Nationally) between other Fire and Public Sector Authorities;
- Provide relatively quick and efficient procurement solutions that are compliant with PCR and CPR;
- Avoids the need for WYFRA to employ resources in managing an entire procurement process but instead to use these resources in adding value to the required outcomes;
- Offer better value for money as a result of combined buying power of the public sector.

Where framework agreements are not used, WYFRA will invite quotation and tender responses direct from the market in accordance with PCR and CPR requirements to optimise service delivery, quality and achieve value for money.

It is our policy to only contract with suppliers that:

- Accept electronic purchase orders via email and
- Submit electronic (PDF) invoices via email.

Implementation of the Procurement Strategy will deliver the following key business benefits:

- Legal & Statutory Compliance (i.e. PCR and CPR);
- Strong governance and due diligence;
- Delivery of the Authority's corporate social responsibilities;
- Engagement with the market and our suppliers;
- Transparency (i.e. publication of information, equal opportunities);
- Procurement best practice;
- Risk management of our supply chains;
- Secure value for money.

7 Transparency

The Government Transparency Code requires WYFRA to publish expenditure as follows:

- Details of each individual item of expenditure that exceeds £500;
- Details of every transaction / payment made using a Government Purchasing Card;
- Details of contracts and framework agreements with a total value in excess of £5k.

The above information is published quarterly and can be located on the Procurement and Transparency pages of WYFRA's website.

8 Action Plan

STRATEGIC CATEGORY	Objective	Activity Overview	START DATE	COMPLETION DATE	RISKS/DEPENDENCIES
Compliance	Promote, develop and ensure compliance with policy, legislative and regulatory requirements in regard to procurement and supply chain management	Internal CPR (and review), External Public Contract Regs, PAD, Committee reports, NFCC reports, Contractual disputes liaising with Legal (internal and external), implement white paper recommendations	May-22	May-23	Non-compliance from staff
Procurement Process	Continue to develop and deliver effective, efficient and economic procurement arrangements across the organisation	Increase in Contracts Register recorded contracts	May-22	May-23	Non-compliance from staff
		Increased use of regional and national contracts/framework agreements	May-22	May-23	Specifications not applicable to WYFRS
		Improved contract management procedures	May-22	May-23	Non-attendance at training
		Reduction in NPOs, improved management of suppliers in OPEX, develop and improve procurement systems and processes. Specific review of OPEX system and potential replacement solution - Analyse the market and regional/national FRS solutions. Develop an option's appraisal and estimated costs.	May-22	May-23	System failure (OPEX/SAP) Finance and Procurement resource
		Specific consideration of FRIC offering for insurance provision - Analyse the offering from FRIC in regard to insurance cover and draft report.	May-22	May-23	Inadequate insurance cover
Collaboration	Instigate, develop and deliver effective collaborative and joint working regionally and nationally to leverage buying power and achieve savings.	Consider NFCC and national contracts whilst increasing regional collaborative procurement opportunities, widen sharing of knowledge and experience with regional and national partners.	May-22	May-23	Specifications not applicable to WYFRS
Strategy	Develop, promote and communicate effective procurement strategies including ethical, sustainable, environmental and social value across the organisation	Develop a suite of sustainability boilerplate standards, improve social value reporting, continue to monitor and report on procurement KPI's.	May-22	May-23	
		Develop procurement strategies with individual departments where necessary.	May-22	May-23	
Advice and Guidance	Provision of procurement advice, project management and procurement training services across the organisation	Deliver procurement training/workshops, assist with resolving contractual issues, review and maintain standardised contract templates.	May-22	May-23	Non-attendance at training

