

Corporate Procurement Strategy



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Foreword

The County Council's ambition for procurement is to be recognised as a leading exponent of innovative, sustainable and modern procurement practice, whilst striving for continuous improvement in our performance.

This Corporate Procurement Strategy sets the framework in which the County Council will work to ensure that procurement delivers value for money across all services and directly contributes to the achievement of our [corporate priorities](#) and the outcomes within the [Hampshire Sustainable Community Strategy](#).

It is recognised that the procurement of goods, works and services has a major impact on many aspects of life in Hampshire, including the environment, social factors and local economic development, which is reflected in the procurement policy, practice and improvement targets.

This Strategy has been endorsed by the Corporate Management Team (CMT) and the Cabinet and is supported by a two-year improvement plan. Performance will be monitored against the improvement plan using the performance management framework '[Driving Success](#)'.

The County Council is also leading on the Construction work stream on behalf of Improvement and Efficiency South East (IESE) and continues to participate actively in collaborative procurement opportunities in all areas of procurement both nationally, regionally and locally.

This Procurement Strategy is an ambitious programme of improvement, which sets high standards for all County Councillors, managers and staff across the County Council.

1. Introduction

- 1.1 It is recognised that effective procurement arrangements are fundamental to achieving organisational success for the County Council and in delivering our [corporate priorities](#) and contributing to the outcomes within the [Hampshire Sustainable Community Strategy](#).
- 1.2 This strategy is supported by a [two-year improvement plan](#) to drive further improvement in procurement performance.
- 1.3 Procurement is defined as ‘the process of acquiring goods, works and services, covering both acquisition from third parties and from in-house providers. The process spans the whole cycle from identification of needs, through to the end of a services contract or the end of the useful life of an asset. It involves option appraisal and the critical “make or buy” decision which may result in the provision of services in-house in appropriate circumstances.’¹
- 1.4 The County Council is mindful that the impact of procurement is far greater than this definition of a ‘process’ and our vision, objectives and principles as set out in this Strategy illustrate the contribution that effective procurement arrangements can make to a wide range of socio-economic agendas. These include equality and diversity, a successful local economy, a thriving voluntary sector, community empowerment, environmental issues and value for money.

2. Our vision for procurement

- 2.1 In recognition of the wider impact that procurement strategy, policy and practice has on the outcomes achieved by the County Council, our vision for procurement is:

To support the delivery of innovative, cost-effective and quality services in fulfilment of the County Council’s corporate priorities and the Hampshire Sustainable Community Strategy, through a strategic and systematic approach to procurement.

3. Our procurement objectives

- 3.1 The objectives of this strategy and its associated improvement plan are to:
 - Develop a category management approach to procurement across the organisation.
 - Deliver a common, corporate process of strategic sourcing, supplier relationship development and contract management.
 - Drive out efficiencies and cost reduction in the procurement process.
 - Enhance leadership, governance and skills within procurement.
 - Ensure compliance with relevant policies and procedures.
 - Increase the proportion of spend against contracted and approved suppliers.

¹ Office of the Deputy Prime Minister (ODPM), (2003), *national procurement strategy for local government*.

4. Our procurement principles

4.1 Our procurement principles are:

- All procurement activity supports our corporate priorities and the outcomes within the Hampshire Sustainable Community Strategy.
- A commitment to strategic, effective, consistent and co-ordinated procurement, which recognises and reflects local circumstances.
- Promote and deliver sustainability, local economic development and equality and diversity objectives through procurement activities.
- Engage with relevant stakeholders and service users to ensure that needs analysis and design of specifications reflects community requirements and recognises the contribution of existing local services.
- Maximise procurement collaboration with other public bodies and partnering arrangements with suppliers.
- Enhance our commissioning and procurement relationship with the voluntary and community sector ('Voluntary Sector').
- Contribute to value for money and the effective use of resources as assessed by the Comprehensive Area Assessment.
- Measure procurement performance and promote continuous improvement.
- Procurement is undertaken by suitably skilled and experienced staff.
- All procurement is operated in a legal and professional manner with the highest standards of probity, transparency, openness, accountability and fairness.
- Encourage a varied and competitive supply market.
- Ensure an efficient procurement process through maximising the use of electronic procurement ('e-procurement').
- Ensure that commissioning and procurement decision-making, including options appraisal, is transparent, accessible and consultative.

5. Scale of procurement activity

5.1 The County Council spends in excess of £630 million per annum (both revenue and capital) on the external provision of goods, works and services². The current portfolio of procurement activity is shown below. Portfolio analysis categorises procurement spend on a risk and value matrix, which assists with determining the most appropriate procurement strategy.

Table One: Procurement Portfolio Analysis

↑	Bottleneck³	£m	Strategic⁴	£m
	High Risk / Low Value		High Risk / High Value	
	Learning & Development & Information	6	Social care and housing-related support	214
	Insurance	2	Property construction and maintenance	121
	Raw materials and agricultural	1	Highways construction and maintenance	49
			Waste management	48
			Passenger transport	31
	Total	9	Total	463
	Routine⁵	£m	Leverage⁶	£m
	Low Risk / Low Value		Low Risk / High Value	
Curriculum and educational supplies	29	Professional and specialist services	21	
Stationery and office supplies	7	Utilities and fuels	16	
Vehicles and plant	6	IT equipment and services	14	
Furniture and fittings	4	Data and telecommunications	12	
Cleaning, janitorial and hardware	3	Rents, Service charges and venues	8	
Daily living and Health and Safety equipment	2	Agency staff	9	
Advertising	2	Cleaning services	6	
Clothing and personal protective equipment	1	Catering services	6	
		Landscaping and grounds maintenance	5	
		Printed and pre-recorded media	4	
		Food	4	
		Financial and legal services	3	
		Design, print and promotional services	2	
Total	56	Total	110	
<div style="border: 1px solid black; display: inline-block; padding: 5px;"> Total value of spend £638m </div>				

² This includes spend by schools maintained by the County Council

³ Bottleneck means that if there is a failure of supply, this could lead to significant disruption and it may not be easy to replace the source of supply, i.e. the market may be limited

⁴ Strategic procurement is complex, high impact and high value and critical to service delivery

⁵ Routine refers to low value and high volume generic goods and service, which should be purchased under corporate framework agreements, with transaction processes automated as much as possible

⁶ Leverage enables organisations to maximise their purchasing power through aggregation of requirements

- 5.2 The County Council has over 1,000 contracts with external organisations in operation at any one time. The contracts register and forthcoming tendering opportunities are publicly available on our [Procurement – Business Opportunities](#)⁷ web pages.
- 5.3 School governing bodies are able to determine their own arrangements for the purchase of goods, works and services and therefore this strategy focuses on meeting the requirements of our departments, rather than schools. However, corporate procurement arrangements for educational supplies and services are already in place and well supported and schools are able to engage with, and benefit from, our continually improving approach to procurement.

6. Sustainable procurement

- 6.1 It is recognised that procurement has a vital role in furthering sustainable development, through our procurement of goods, services and works. Procurement decisions have a major socio-economic and environmental implication, both locally and globally, now and for future generations. Our sustainable procurement policy supports our vision that 'within a decade Hampshire will prosper without risk to our environment.' The County Council will therefore strive to:

People, education and awareness

- educate, train and encourage staff to review their consumption of goods and services, reduce usage and adopt more environmentally-friendly products.
- communicate the sustainable procurement policy to all staff, suppliers and stakeholders.

Procurement strategy, policy and process

- promote and embed best practice for sustainable procurement.
- work in partnership with other public bodies to maximise sustainable procurement gains through collaboration and information sharing.
- ensure local and small suppliers have equal access to procurement opportunities.

Environmental products

- consider the costs and benefits of environmentally-friendly goods and services, including minimising 'procurement miles'.
- wherever possible and practicable, specify a requirement in line with nationally or regionally agreed minimum specifications.
- where such exact specification is not possible, enable suppliers to submit offers for environmentally-friendly alternatives.

⁷ Available at: <http://www.hants.gov.uk/procurement>

Environmental construction, biodiversity and recycling

- meet Carbon Reduction targets and utilise the Building Research Establishment Environmental Assessment Method (BREEAM) as appropriate to work towards sustainable construction, refurbishment and maintenance.
- fulfil obligations under the Biodiversity duty as part of our [Corporate Biodiversity Action Plan](#).
- continue to improve the levels of recycling, reduced usage, bulk delivery and better packaging.

Engaging suppliers

- communicate our sustainability objectives to our suppliers.
- encourage and persuade suppliers to adopt environmentally-friendly processes and supply environmentally-friendly goods and services as part of their Corporate Social Responsibility agenda.
- fully support the commitments contained in our [Small Business Friendly Concordat](#) and in the [Commissioning and Procurement Code](#) of the [One Compact](#) for Hampshire (in order to address barriers to small business and the voluntary and community sectors doing business with us).
- ensure that procurement processes are appropriate to the scale and risk involved so that they are not unduly onerous especially for local and small suppliers.
- continue to update and publish our contracts register, forthcoming tendering opportunities and Selling to the County Council Guide on our [Procurement – Business Opportunities](#) web pages and work with national and regional opportunities portals as appropriate.
- ensure that, where appropriate and allowable, sustainability criteria are part of the supplier evaluation process and are used in the award of contracts.

Measurements and results

- comply with all legislation relevant to sustainability.
- collaborate with other public sector bodies in support of common sustainability targets.
- assess our sustainable procurement performance through the use of the [Sustainable Procurement Task Force's Flexible Framework](#).
- improve our sustainable procurement performance in line with the Flexible Framework and the [Aalborg Commitments](#).

7. Promoting social equality and justice through procurement

- 7.1 The [Single Equality Scheme](#) shows that the County Council is committed to securing genuine equality of opportunity, whether required by law or not, in all aspects of our activities as an employer, service provider and provider. It is recognised that passive policies will not reverse discrimination and disadvantage and therefore the County Council will actively seek to redress unfair discrimination against disadvantaged people to ensure equality of opportunity.
- 7.2 The County Council has an opportunity to influence the equality agenda with suppliers through our procurement processes. The County Council will actively engage with the requirements of the proposed Equality Duty for public procurement once it has been enacted. In the meantime, the County Council are committed to ensuring that major suppliers and contractors share our equality and diversity vision and values, and work to implement these. To achieve this, the County Council will:
- Ensure our appointed contractors share, and help deliver, our equality objectives

- Provide templates, guidance and training on equalities for procurement staff
- Develop pragmatic ways to monitor the equality performance of our key suppliers and provide assistance where required.

7.3 Community cohesion, safety and security is a key part of our corporate priorities and the County Council will continue to identify where procurement can ensure that appropriate contracts include provisions for crime and disorder reduction and that procurement arrangements do not have an adverse impact on community safety issues.

7.4 The County Council will continue to ensure that effective health and safety mechanisms are in place through our procurement practice and our suppliers.

7.5 The County Council will ensure compliance with the code of practice on handling workforce matters in contracts.

8. e-Procurement Policy

8.1 The County Council recognises the importance of electronic procurement (e-procurement) in delivering lower transaction costs for both us and our suppliers, reducing off-contract spend and minimising paperwork, thereby providing efficiencies and environmental benefits.

8.2 Our electronic purchase to pay process is through our corporate SAP system. Complementary solutions to assist with increasing our use of e-procurement tools will also be considered if a proven business case has been developed. Appropriate staff have access to the electronic catalogue of goods and services (known as 'SRM') which enables the electronic generation, workflow and authorisation of purchase orders from contracted or approved suppliers.

8.3 The electronic catalogue (SRM) in SAP is used for all ordering, except where, in exceptional circumstances, access to the Core R/3 system in SAP has been approved by the Corporate Procurement Network. Where a non-SAP system has been approved for a part, or the whole, of the procurement cycle, appropriate interfaces to SAP and its e-procurement facilities must be developed to assist in providing corporate procurement management information and a consistent and corporate approach to e-procurement.

8.4 Electronic tendering is currently being rolled out to all procurement teams and, once this is completed, this will be the standard tendering process for all of our tenders

8.5 Whilst all suppliers will be encouraged to work with us electronically, it is recognised that some suppliers, particularly small- and medium-sized enterprises (SMEs) and 'Voluntary Sector' suppliers, may not have the capabilities at this time to adopt e-procurement and we will ensure that such suppliers are not disadvantaged in the procurement process.

8.6 Purchasing cards in all their forms (embedded, physical and pre-loaded) will be used where appropriate, subject to approval by the County Treasurer and the Corporate Procurement Network, to reduce transaction costs particularly for high volume, low value and ad-hoc purchases.

8.7 All contracts over £25,000 will be recorded in our corporate contracts register and all tenders over £25,000 will be advertised on our [tendering opportunities](#) web pages.

9. Procurement improvement

- 9.1 Whilst previous Corporate Procurement Strategies and associated action plans have delivered improvements in procurement performance over the last few years, the County Council continually strives for further improvement. Our Corporate Services Review of Procurement, undertaken in the first half of 2009, recognised that further changes needed to be made to the way we organise and manage procurement to maximise the contribution that procurement can make to the County Council's performance and efficiency. The Review also addressed issues around compliance that were identified in an earlier report to Cabinet and the relevant recommendations have been taken into account in the development of this strategy.
- 9.2 This procurement strategy and associated action plans will deliver:
- a more strategic and systematic approach to procurement.
 - corporate management of performance and improvement priorities.
 - procurement efficiencies and cost reduction.
 - enhanced compliance with relevant policies and procedures.
 - an increase in the proportion of spend that is recorded against contracted and approved suppliers.
- 9.3 Our procurement improvement will be underpinned by the following principles:
- a centre-led approach to strategic sourcing and category management.
 - stronger central leadership and performance management.
 - focus procurement activity through procurement professionals and develop a 'licensed practitioner' programme which continues to enhance skills and performance.
 - development of new strategies and approaches to deliver reductions in procurement and process costs.
 - further extend collaboration with other public bodies locally, regionally and nationally.
 - our procurement processes and risk management processes will be proportionate to the expenditure being undertaken and will recognise other corporate priorities and policies.
- 9.4 The County Council is also striving to improve its sustainable procurement performance in accordance with the [Sustainable Procurement Task Force's Flexible Framework](#) and the [Aalborg Commitments](#), which is reflected in improvement action plans.
- 9.5 The current procurement improvement action plans are shown in Annex A.

10. Performance management

- 10.1 Implementation of our improvement action plans will be monitored through our performance management arrangements and overseen by the Corporate Procurement Network, the Efficiency Board and the Buildings, Land and Procurement Panel.
- 10.2 The County Council is a member of the CIPFA Corporate Services benchmarking group, which will assist in understanding the level of our procurement performance and in identifying areas of good or poor performance relative to other public bodies. This

enables the County Council to set informed targets for performance improvement. The County Council has also produced its own suite of local performance indicators for procurement which measures our performance against key targets in our improvement action plans.

11. Governance and accountabilities

- 11.1 The Corporate Services Review of procurement recognised that devolved service and financial planning and management has led to the involvement of a large number of staff in the procurement process. Some of these staff have very little relevant procurement experience. This situation limits our ability to deliver a more strategic, corporate, consistent and aggregated approach to procurement. This also reduces our ability to drive further performance and efficiency improvements in procurement.
- 11.2 Governance and accountability arrangements are therefore being revised to provide more focus and stronger leadership through a 'strategic sourcing' and 'category management' approach to key areas of spend.
- 11.3 Full centralisation of procurement and category management, outside of common-use goods and services, is not considered appropriate at this stage because effective procurement relies on service-driven commissioning in appropriate areas. Therefore some departments⁸ will be responsible for adopting a category management approach to specialist procurement arrangements for direct expenditure incurred in the provision of services. A category management approach requires centralised procurement functions in these departments, which will also ensure that procurement is led by experienced and skilled procurement practitioners. These centralised arrangements within departments are currently being implemented. This will include the formation of a single, central team within Property, Business and Regulatory Services. All category managers will have a 'Head of Profession' responsibility and accountability to the Corporate Procurement Team. Table Two below identifies the category management responsibilities of departments.

⁸ Adult Services, Children's Services and Environment Departments

Table Two: Responsibilities of departmental procurement teams

Category of Spend	Team	Department
Children and families social care and specialist services	Commissioning Co-ordination Unit	Children's Services
Adult social care	Contracts Team	Adult Services
Supporting people, drug and alcohol services	Wellbeing and Partnerships Team	Adult Services
Highways Construction and Maintenance	Engineering Consultancy / Environment Procurement Team	Environment
Waste management	Waste Management Team / Environment Procurement Team	Environment
Passenger Transport	Passenger Transport Group / Environment Procurement Team	Environment

11.4 The Director of Property Business and Regulatory Services (PBRS) is the Corporate Management Team's Procurement Champion. The PBRS Procurement Team operates as the Corporate Procurement Unit for the County Council. The team is responsible for:

- identifying aggregation opportunities and putting in place corporate arrangements for the purchase of common use goods and services (indirect supplies, including property and information and communications technology [ICT] procurement) on behalf of all departments and schools.
- Category management of common-use areas of spend including:
 - property
 - ICT
 - facilities management
 - technical, specialist and consultancy services
 - energy
- leading on procurement performance improvement and measurement, including:
 - strategic sourcing and category management processes
 - procurement strategy, policies and procedures
 - co-ordination and consistency within the procurement process
 - procurement competency framework and procurement skills development
 - the 'licensed procurement practitioners' programme
 - the Procurement Gateway Review process
 - key performance indicators for procurement.
- providing a procurement advisory, support and review service to departments and individual contracts.
- delivering appropriate electronic procurement solutions.

- fostering collaboration with other public bodies.
- supporting the activities of the Central Buying Consortium (the largest such organisation in local government).
- providing the link to Improvement and Efficiency South East (IESE), other councils and central government on all procurement related matters.

11.5 Members have a key role to play in aligning procurement decisions with our corporate priorities and in monitoring procurement performance. This is achieved through the nominated Member Champion for Efficiency and Procurement and the Buildings, Land and Procurement Panel.

11.6 The Corporate Procurement Network (CPN) includes representatives from all departments and is responsible for corporate leadership of procurement activity and performance, in particular:

- developing procurement practice across all departments
- improving and reporting on procurement performance
- building more strategic and corporate procurement arrangements
- supporting knowledge and information sharing.

11.7 Consideration is being given to setting up a Procurement Board to oversee procurement improvement. Currently, the Efficiency Board is responsible for ensuring delivery of procurement efficiencies and overseeing the implementation of the procurement improvement plans.

Procurement Improvement Action Plan 2009/10 to 2010/11

Introduction

During 2008/09 we undertook a Corporate Services Review of Procurement. The review identified a number of areas which would enable us to make a 'step-change' in our procurement arrangements and would build on improvements already made as a result of previous procurement strategies.

Corporate Improvement themes

The main corporate improvement themes for all procurement teams are:

1) Strategic sourcing

- Adopt a common corporate process of strategic sourcing
- Adopt a category management approach, with nominated category managers
- Optimise procurement linkages between similar categories across the County Council.

2) Leadership and People

- Provide clear leadership, roles and responsibilities and performance management arrangements
- Enhance the competencies and skills of professional procurement practitioners.

3) Enhance compliance

- Improve visibility of procurement arrangements and forward planning
- Ensure high value supplier relationships are appropriately formalised
- Review lower value arrangements to ensure appropriate competition
- Review roles and responsibilities and training of staff involved in purchasing decisions and processes.

4) Cost reductions

- Deliver targeted reductions in procurement costs and process costs
- Increase capacity to deliver improvement projects
- Exploit 'data' as 'information'
- Further extend collaboration with other public bodies.

5) Improve sustainable procurement performance

- Achieve level three of the sustainable procurement [flexible framework](#) in six priority categories (waste, transport, energy, construction, food and facilities management) during 2010/11.

Specialist Departmental Procurement Improvement Actions 2009/10 to 2010/11

There are also a number of key improvement areas for some of the specialist departmental procurement teams which are:

Property Procurement Team

- Complete implementation of e-tendering and e-contracts.
- Develop a construction category management plan.
- Complete implementation of the Gateway Review process for major property construction projects.
- Ensure effective framework and long term contract management arrangements.
- Delivery and capture efficiencies and benefits through collaborative procurement arrangements.
- Development and implementation of 'Regional Education Partnership' (REP) procurement model for delivery of Building Schools for the Future.

Adult Services Social Care

- Implementation of a Contract Management System to enable online payments to providers, contract management and a consistent approach to monitoring and reporting.
- Introduction of category management and the alignment of contract renewal dates to enable a review of existing block contracts.
- Introduction of framework agreements that will not only support the [Hampshire Model](#) but enable savings in terms of financial and administrative resources.
- Introduction of standardised contract documentation and working with the Voluntary Sector on evaluation and procurement processes to enable them to compete for tendering opportunities.
- Review and modernise existing contracts terms and conditions.
- Introduction of a performance management framework for Contract Support Officers.
- Assist with the implementation of Self Directed Support through piloting the use of Pre-Loaded Cards that should result in an increase in the uptake of Direct Payments.

Annex A (continued)

Procurement Improvement Action Plan 2009/10 to 2010/11

Action	Target Date	Responsibility
Develop sourcing templates and guidance	February 2010	Programme Manager, Corporate Procurement Team (CPT)
Implement sourcing templates and guidance and produce sourcing strategies	March 2010	Corporate Procurement Network
Develop categories and identify category managers	February 2010	Programme Manager, CPT
Implement category management processes on a phased basis	March 2010	Programme Manager, CPT and Corporate Procurement Network
Review procurement governance arrangements, terms of reference and roles and responsibilities	December 2009	Programme Manager, CPT
Revise procurement competency framework	January 2010	Procurement Development Officer, CPT
Develop and deliver new training programme	From February 2010	Procurement Development Officer, CPT
Regular review of management information on both high and low value spend	From September 2009	Procurement Development Manager, CPT and Corporate Procurement Network
Development and implementation of Corporate Contract Register	April 2010	Assistant Procurement Development Manager, CPT and Corporate Procurement Network
Implementation of 'Licensed Practitioner' programme	From July 2010	Procurement Development Officer, CPT
Complete the 'Purchase to Pay' process review	December 2010	Procurement Development Manager, CPT and Assistant County Treasurer
Pilot Hampshire Gateway Review process	To September 2010	Procurement Consultant, CPT and Corporate Procurement Network

Procurement Improvement Action Plan 2009/10 to 2010/11 (continued)

Action	Target Date	Responsibility
Implement the corporate e-tendering system across all departments	During 2010/11	Assistant Procurement Development Manager, CPT and Corporate Procurement Network
Ensure all procurement staff understand and adhere to the Procurement and Commissioning Code within the One Compact for Hampshire and the Small Business Friendly Concordat	During 2010/11	Procurement Development Officer, CPT and Corporate Procurement Network
Actively engage with, and implement, the requirements of the proposed Equality Duty for public procurement once it has been enacted	As per legislative timetable	Procurement Development Manager and Corporate Procurement Network
Provide procurement awareness and training sessions for voluntary sector and small and medium sized enterprises jointly with appropriate partners	During 2010/11	Procurement Development Officer, CPT

Procurement Efficiency and Cost Reduction 2010/11 to 2013/14

We have an ambitious programme of finding further efficiencies through more effective procurement practice and processes, which are expected to generate nearly £10m of savings over a four year programme. The table below shows the total savings to be delivered each year.

	2010/11 £m	2011/12 £m	2012/13 £m	2013/14 £m
Procurement Savings Target	0.5	5	7	10

Sustainable Procurement Improvement Action Plan 2009/10 to 2010/11

Action	Target Date	Responsibility
Develop and put in place a training module, to cover sustainable procurement principles, policy and processes, for inclusion in an overall procurement training programme. Target key procurement staff from priority themes for completion.	March 2010	Procurement Development Officer, CPT
Include sustainable procurement (principles, policies and processes) as a part of a procurement e-learning package for all managers and promoted for all existing and new managers. Staff can also be encouraged to use it.	March 2010	Procurement Development Officer, CPT
Appoint at least one person for each of the priority themes (energy, food, waste, construction, facilities management, transport) as sustainable procurement champion.	December 2009	Environment and PBRS Departmental Sustainability Action Teams
Put mechanisms in place to ensure the sustainable procurement policy and strategy are mainstreamed as part of the corporate procurement process, and develop a communications strategy to promote them to all stakeholders.	From March 2010	Departmental Sustainability Action Teams
Develop approach/guidance for applying whole life cost analysis to all contracts.	From March 2010	Procurement Development Manager, CPT
Embed sustainable procurement into decision-making in all stages of contracts, initially by trialling Comprehensive Impact Assessment (CIA) methodology in new Gateway process pilot.	From April 2010	Departmental Sustainability Action Teams
Develop and implement a programme of supplier engagement and development, to include targeting key suppliers via a series of pilots - 1) Green Accord for Property Register of Contractors, 2) Caeser for Waste, and 3) 4ps for a building construction project as appropriate.	From January 2010	Environment and PBRS Departmental Sustainability Action Teams

Glossary of Terms

Term	Explanation
Aalborg Commitments	A set of shared sustainability commitments being jointly implemented by local governments across Europe.
Approved Supplier	A supplier who has successfully undergone an approval and qualification process and has been agreed as suitable to contract with the County Council.
Biodiversity	Is the variation of life forms within a given ecosystem , biome , or for the entire Earth . Biodiversity is often used as a measure of the health of biological systems .
BREEAM	Building Research Establishment Environmental Assessment Method – is a voluntary measurement rating for green buildings that was established in the UK.
Capital Expenditure	Expenditure on the acquisition or the creation of a tangible fixed asset.
Carbon Reduction	Limiting energy usage and emissions from transportation, buildings, equipment, animals and processes. It can also be achieved by obtaining electricity and other energy from a renewable energy source, either directly by generating it or by selecting an approved green energy provider, and by using low-carbon alternative fuels such as sustainable bio-fuels.
Category Management	The management of a spend category as a distinct category and not just as a supplier or a contract. This includes the continual monitoring of spend, supplier performance and developments in the market including technological and legislative.
CIPFA	Chartered Institute of Public Finance Accountants
Collaboration	Jointly working with other organisations with common areas of spend to share information and resources and to combine buying power to gain best value for money.
Community Cohesion	Working towards a society in which there is a common vision and sense of belonging by all communities; a society in which the diversity of people's backgrounds and circumstances is appreciated and valued; a society in which similar life opportunities are available to all; and a society in which strong and positive relationships exist and continue to be developed in the workplace, in schools and the wider community.
Comprehensive Area Assessment (CAA)	This is the method of assessing local public services in England. It examines how well councils are working together with other public bodies to meet the needs of the people they serve. It's a joint assessment made by a group of six independent watchdogs.

Term	Explanation
Contract Management	Is the process of systematically and efficiently managing contract creation, execution, and monitoring for the purpose of maximising financial and operational performance and minimising risk.
Contracted Supplier	A supplier who has been awarded a contract with the Council, following a tendering process, to supply goods, services or works.
Contracts Register	A central record of all of the County Council's procurement contracts to assist the organisation in the contract management process.
Corporate Procurement Network	The Corporate Procurement Network represents all Departments of the County Council and undertakes collaborative working in procurement to exploit the County Council's collective knowledge and experience, increase economies of scale, reduce duplication of effort and encourage innovation in procurement.
Corporate Social Responsibility	The impact an organisation has on the social, environmental and economic sustainability of the communities it is responsible for.
E-Procurement	Electronic tools which automate the purchasing process. Buyers can search electronic catalogues and place electronic orders. The entire procurement process through to invoicing and payment can also be electronic.
Equality and Diversity	Equality is the framework that enables opportunity, access, participation and contribution that is fair and inclusive. Diversity is the acknowledgement and respect of differences within and between groups of people.
Locally	Within the Hampshire area and any adjoining authority areas.
One Compact for Hampshire	The One Compact for Hampshire is an agreement between the Voluntary and Community Sector and the Public Sector to work together. It is a jointly agreed framework of principles to guide their future working relationship.
Procurement Miles	The distance in mileage travelled to bring the completed goods, services or works to the County Council.
Purchasing Cards	Cards which are used to purchase high volume, low value goods and services in a cost and process efficient way. Cards can operate like credit cards or debit cards and can be single use or multiple use, depending what they are to be used for.
Regionally	Within the South East region. (Includes the following authorities: Milton Keynes, Buckinghamshire, Oxfordshire, West Berkshire, Windsor and Maidenhead, Reading, Slough, Bracknell Forest, Hampshire, Southampton, Isle of Wight, Portsmouth, West Sussex, East Sussex, Surrey, Brighton and Hove, Medway, Kent).

Term	Explanation
Revenue Expenditure	The operating costs incurred by the County Council during the financial year in providing its day to day services.
Single Equalities Scheme	The County Council's commitment to promote to the public, people who use our services and staff who work for us, about the principles of fairness that underpin our work. The scheme promotes how the County Council intends to provide fair and more responsive public services and how it tackles unfair discrimination and promotes social cohesion.
Small Business Friendly Concordat	It is a voluntary non-statutory code of practice to make it easier for Small and Medium Sized Enterprises (SMEs) to do business with local authorities. By signing the Concordat Hampshire County Council pledge to make contracts accessible to SMEs and to encourage a mixed range of suppliers to stimulate a varied supply market.
SMEs	Small and Medium Sized Enterprises are organisations with fewer than 250 employees.
Socio-Economic	The impact of differences between groups of people caused mainly by their financial situation.
Specification	A document containing a detailed description of the goods, works or services to be procured. The document can include dimensions, quality standards, performance measures and any other required outcomes.
Stakeholders	Any person with an interest in an organisation, e.g. employees, customers, suppliers or the local community. This is due to the effect that the organisation's activities may have on them.
Strategic Sourcing	Is a procurement process which continuously improves and re-evaluates the purchasing activities of an organisation.
Sustainable Procurement	Organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society and the economy, whilst minimising damage to the environment. It focuses on longer term outcomes and impacts and not just short term outputs and gains.
Voluntary Sector	The generic term used to encompass community and voluntary organisations and social enterprises.