

## Procurement Strategy 2023

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### 1 Strategy overview

This is the first procurement strategy that SFCT has developed and its primary aim is to ensure that a sound procurement procedure is adhered to. The strategy has been developed in line with local priorities and will support our corporate aims and objectives.

### 2 Strategic context

SFCT has a significant income stream over the next 25 years as a result of annual payments from numerous local renewables developments.

The Articles of Association for SFCT are clear and our procurement strategy will help us deliver those Articles.

### 3 Objectives

The objective of this strategy is to ensure legal compliance, deliver value for money and improve efficiency whilst actively promoting the Trust's principles of sustainability, innovation, to support local business where possible, equality and diversity and corporate social responsibility.

Procurement will contribute value for money and associated benefits to SFCT and support its wider objectives through the delivery of an effective and professional procurement process.

## **4 Procurement process**

All procurement opportunities >£2k will be advertised on the SFCT website. This provides access to suppliers of all sizes to a range of contract opportunities advertised by SFCT.

The following thresholds have been put in place:

- £0K - £2k net value – Directors or Board authority to purchase (no advertising necessary);
- £2k- £50k net value – minimum of three formal quotes, administered through the use of SFCT web site (with initial expressions of interest);
- Over £50k – led by 3 Directors where a requirement is identified (services, goods or purchase) formal tender bids will be sought and scored using a matrix where appropriate.

## **5 Procurement policy statements**

The following policy statements detail our approach to the various facets that contribute to award criteria:

### **5.1 Community benefits requirements**

SFCT will consider including community benefits requirements for every contract. Community benefit requirements will be used when they are relevant and proportionate to the nature of our contract.

### **5.2 Consultation and engagement**

SFCT will, as appropriate, consult with parties who will potentially be affected by the outcome of our tender processes as appropriate, and may consider consultation with (for example):

- the marketplace;
- customers/end users;
- community representatives; and

- 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:

- SFCT are 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;
- SFCT expect that the contract may have a significant impact on end-users of the contract and SFCT may want to seek views/comments and opinions from customers or end users of the contract; and
- SFCT want to investigate the possibility of including community benefits to a specific contract and need to understand the needs of a specific area/community or the ability of the supply base to deliver certain community benefits.

SFCT will consider the use of an expressions of interest process to make the market aware of our future tendering plans. SFCT may consider running local bidder briefing days to consult potential bidders/those affected by the contract and consider their views when constructing the tender document.

### **5.3 Fair work practices**

SFCT is committed to ensuring contracts, where relevant, provide for the payment of a Living Wage (as defined by the Living Wage Foundation). Payment of the Living Wage is one of the clearest ways that an employer can demonstrate that it takes a positive approach to its workforce but the overall health and well-being of all employees must also be a material consideration.

### **5.4 Health and safety at work**

The degree to which health and safety requirements are specified within procurement documentation will vary according to the goods, services or works being purchased. 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. SFCT 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. SFCT will monitor contracts to ensure compliance with health and safety requirements.

## **5.5 Legal compliance**

SFCT will incorporate contract conditions to ensure suppliers comply with relevant legislation.

## **5.6 Payment of invoices**

Payment of valid contractor and sub-contractor invoices will be paid within 30 days throughout the supply chain of SFCT contracts. The successful supplier will be expected to make payments to its supply chain within these maximum timescales.

Any contract holder must also adopt this approach in terms of payments to its supply chain.

## **6 Strategy ownership and contact details**

SFCT is embracing the challenges that the need for transparent procurement presents and intends to capitalise on the benefits that sound procurement can deliver.

All members of the Board of Directors have a responsibility to comply with the adopted strategy.

*Last reviewed 21/11/2023*