

Summary of consultation feedback on Procurement & Commissioning Strategy

Consultation undertaken in the form of:

- A bespoke event for the CVS and SME's with a face to face discussion session
- Presentation of the strategy at the York Business Forum & to Equalities Advisory Group
- Distribution of the strategy via e-mail via: Federation of Small Businesses, Visit York, Regional Procurement Group, Higher York, Staff Equalities Reference Group (SERG) & the Equalities Leadership Group (ELG).

Summary of feedback points	CYC Response	How this will be delivered.
Please can you clarify the definition of local in this context and also what the proportion of local to not local spend is currently	Based on an analysis of CYC's spend data for 2009/10 approximately 60% of non-pay spend over £1000 was with suppliers in the Yorkshire & Humber Region	
What is the definition of a "local" supplier?	Given the focus in the Local Economic Partnerships (LEPs) is upon functioning economic geographies CYC proposes to mirror the LEP arrangements and use the same boundaries as the Leeds City Region and the York and North and East Yorkshire LEPs.	CYC will report on an annual basis how much money is spent with local suppliers and seek to improve this on an annual basis.
In the area of consultancy do you operate approved supplier lists with fixed time entry points to become such a supplier. If CYC operates similar processes this will both reduce the ability of new companies to become suppliers and restrict	CYC does not operate a single sourcing approach via frameworks. There are times when it is appropriate to access goods and services using frameworks especially if there is no existing local market. We don't take our	The use of frameworks will be assessed on a case by case basis. If a framework is identified as being the best route to market for a particular project, there will still be a requirement for the successful supplier to demonstrate the benefits to the local

supplier competition. Also do you take your approved suppliers from others (like the RDA) approved lists thereby unwittingly limiting competition	approved suppliers from others unless using a framework. It is CYC's preference to undertake due diligence itself.	economy by using local labour, apprentices etc.
How do I get onto the Council's preferred supplier lists?	CYC will not operate preferred supplier lists in future.	
Corporate Social Responsibility (CSR) should be taken into account in the assessment criteria for procurement. I.e. what do the companies do to support the third sector in the city or other voluntary work. There are many local businesses in this great city that do a large amount in these areas and this should be recognised in some way.	CYC is committed to a greater focus on demonstrating CSR outcomes from our procurement activity.	Training will be provided to all officers undertaking procurement and commissioning activity to ensure a clear understanding of how to demonstrate tangible CSR benefits. Commercial Procurement team and the Sustainability Team will set a short, medium and long term target of how this will be applied across specific categories of spend in addition to individual contracts.
The FSB would like to see it MANDATORY for all businesses supplying goods and services to the council to stick to 30 days payment terms through the supply chain.	CYC's standard payment terms are 28 days from receipt of invoice (10 days for local SME's).	New contracts will have a clause stating that suppliers to CYC must have reciprocal payment terms down through their supply chain. This will be monitored as part of the contract management approach.
Tendering procedures need to be simple & without duplication. There should be no unreasonable terms such as massive insurance cover levels	The strategy makes a commitment to simplifying tendering processes and removing inappropriate barriers to participation in tendering exercises. A pragmatic approach is	By standardising the documentation used for tendering and contracting by CYC this will ensure that the process is not overly bureaucratic. Guidance will be issued to

	required to ensure appropriate levels of insurance etc are required depending upon the goods/services to be provided.	everyone undertaking procurement or commissioning activity to support the assessment of the appropriate level of indemnity required on a case by case basis.
The council must not aggregate contracts. This bars SMEs from tendering.	Due to the need to deliver value for money there are times when the overall spend on categories are best aggregated. However, the way in which this requirement is then tendered will be undertaken in a way to enable access from a wide range of suppliers e.g. consortiums, partnerships, SME's, Voluntary Sector etc.	Tenders will continue to be split into a variety of lots/packets of business to ensure that the process is accessible to all.
There needs to be an understanding by those placing contracts at the council that SMEs can OFTEN undercut bigger firms as they have less overheads. There may be more admin work at the council office in placing smaller contracts but the total saving could be higher with a local SME. Thus, a little more council cost at the admin stage could reap greater savings	This will be considered as part of our approach to "whole life costing" for the delivery of services. This will consider if greater savings can be delivered by smaller suppliers and whether this overcomes potentially larger costs of the procurement and contract management activity.	Detailed cost models will be required as part of the tendering process to enable CYC to identify all costs associated with the delivery of contracted goods/services. This will form part of the evaluation criteria on a case by case basis.
Is there any reason why you should not publish lists of contracts already placed, with suppliers and prices paid? If this were publically available alternative suppliers would be able to	Details of all expenditure over £500 is posted onto CYC's website as part of government requirements.	In addition to publishing spend data, CYC will also be publishing a copy of its Forward Procurement Plan on a rolling 12 months basis to provide time for suppliers who

<p>identify and suggest to CYC where they could offer savings or propose alternative better value packages.</p> <p>This would also probably help local suppliers to use the advantages of their 'localism' to deliver a better price or a better service.</p> <p>This would not conflict with normal competitive tendering procedures</p>		<p>may be interested in tendering with sufficient time to prepare.</p>
<p>Page 6 deliverables also identifies 'implement a new supplier and contract management system' – The council currently uses SMSC Alito procurement for some of its procurement and other systems outside of this. Why is it necessary to develop a new system when surely if all procurement was put on the Alito system it save the need fund this new package?</p>	<p>The contract for the existing supplier and contract management system is expiring which has driven the requirement for a new system to be procured.</p>	<p>CYC has assessed various systems available to the market and has procured a system which is right for York's requirements, is easier to use for suppliers and which provides a greater level of detail than the current system. All suppliers registered on the existing system will be contacted with details of the new system as part of our launch communications for the new system.</p>