

PROCUREMENT STRATEGY 2023-2026

1. Background and Purpose.

globally connected university, realising opportunities for success through transformative, innovative, impact-driven research and teaching, with a focus on sustainability safeguarding the environment promoting economic, social, bilingual and cultural vibrancy¹.

The U stitutional sustainability which includes priorities for the striving of financial resilience, service delivery through modern professional services and a digital first approach.

The efficient and effective procurement of goods, works and services to support the University in meeting its strategic objectives and priorities is essential. Ortically, it is a process that ensures value for money (the optimum combination of whole life costs and quality) when committing the U pay expenditure (approx. £38m). Well managed procurement can assist in achieving the U social, economic, bilingual and environmental outcomes, as well as being a tool to encourage innovation.

This document sets out the U Procurement Strategy for the years 2023 to 2026. It describes how procurement will be re-positioned to become a more strategic function in order to better support the delivery of the U strategy will be supported by a high-level

4. Procurement Vision

To be a respected commercial and strategic partner working in collaboration with academic and other professional services staff to deliver procurement projects that are innovative, sustainable and demonstrate value for money.

5. Ownership and Approval of the Strategy

This Procurement Strategy is owned and maintained by the Deputy Director (Procurement & Payments) and is sponsored by the Chief Financial Officer. Annual action and improvement plans will be prepared to demonstrate progress against the strategy and to continually measure performance. Performance will be monitored by the Chief Financial Officer and will be reported bi-annually to the Executive Committee and the Audit and Risk Committee.

6. Spend Data (High level)

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To achieve its strategic mission, the University requires the support of many external suppliers and contractors. In 2020/2021, the University spent approximately £38m on a

A detailed 3-year action plan has been developed to demonstrate how improvements will be managed and measured. The action plan will be reviewed on an annual basis and a further PMA will be undertaken in January/February 2025 to assess overall progress.

8. Wales Procurement Policy Statement

The

9.1 Governance.

The Procurement Strategy outlines the strategic direction for procurement, ensuring that the a move towards procurement best practice. The Procurement Strategy is supported by Procurement Procedures and other guidance documents, which outline how procurement should be undertaken on a day-to-day basis.

An annual report is presented to the U

Committee and the Higher Education Funding Council for Wales on the activities undertaken by the procurement function, along with achievements and savings obtained. In future, the report will also include a section on progress in terms of delivering the strategic objectives.

Areas for improvement:

- G1: Develop an annual action/improvement plan to manage and demonstrate progress against the stated deliverables within the strategy.
- G2: Introduce post procurement reviews to identify lessons learned from the process and to demonstrate whether procurement benefits and value for money were achieved.
- 9.2 Reporting and Key Performance Indicators.

Bangor University already reports on the

environmental and cultural well-being of Wales. The procurement of goods, works and services can contribute significantly to all aspects of the sustainability and circular economy agenda, including environmental, economic and social issues.

The Procurement Team will work closely with the Associate Pro Vice-Chancellor for Sustainability and the Sustainability Strategy Group to deliver wider university objectives on sustainability. This includes becoming carbon neutral, aiming for zero waste, maintaining Fairtrade status and procuring food from sustainable sources.

There are number of procurement related sustainability initiatives that the Procurement Team have already adopted and additional ones that will be considered in future.

9.5.1 Sustainability Procurement Checklists

The Sustainable Procurement Checklist has been designed to assist buyers to identify sustainability impacts linked to the goods, services or works being procured and to consider how any risks or opportunities can be addressed as part of the tender process. The Sustainable Procurement Checklist covers all areas of sustainability, including carbon reductio

Jobs: Promote local skills and employment

Growth: Supporting growth of responsible regional business

Social: Healthier, safer and more resilient communities

Environment: Decarbonising and safeguarding our world.

The Procurement Team will support the with the Associate Pro Vice-Chancellor foro

Ovic Mission Strategy and will work

Where possible, we will split larger contracts into lots to encourage smaller companies to bid. Detailed feedback will be provided to suppliers at the end of the tender process to highlight possible areas of improvement when submitting bids in the future.

9.5.8 Equality Standard

<u>Strategic Equality Plan</u> sets out the approach the University will take to eliminate discrimination, advance equality of opportunity and foster good relations amongst staff, students and the wider community.

In line with the Public Sector Equality Duty requirements of the Equality Act 2010, Bangor University will have due regard to the general duty when procuring works, goods or services. In practice, this means Bangor University will consider the use of appropriate award criteria and also the use of contract performance conditions in relevant contracts.

When awarding relevant contracts, the University will also take into account a potential supplier s approach to equality in terms of its employment practices and service delivery. The promotion of equality will be monitored and managed during the life of the contract, particularly where equality is deemed to be a core requirement.

9.5.9 Welsh Language.

All procurement will be undertaken in line with the Policy and the Welsh Language Measure (Wales) 2011.

We will welcome tender applications submitted in Welsh and English and will administer the process according to the bidder's language of choice. We will advertise contracts in Welsh if the subject of the invitation to tender suggests that it should be published in Welsh or if the audience / expectations suggest that it should be published in Welsh

Areas for improvement:

CSR1: Demonstrate and communicate on procurement exercises with successful sustainability/responsible outcomes. To be reported annually in the procurement report.

CSR2: Identify an appropriate benchmarking tool to assess sustainable procurement maturity and monitor progress towards sustainable procurement practices and processes.

CSR3: To ensure a corporate commitment to enabling social benefit as a result of procurement activities.

CSR4: nesses can attend and learn about how they can become suppliers to the University.

9.6 Collaboration

Bangor University is a full member of the North Western Universities Purchasing Consortium frameworks wherever possible. The

University also supports the use of frameworks delivered by the National Procurement Service for Wales, Crown Commercial Services and other public sector led consortia.

Bangor University is also an associate member of the Higher Education Purchasing Consortium for Wales and works closely with procurement leads in other Welsh higher education institutions, particularly on procurement policy matters and general sector procurement development and improvement.

In 2020/21, the University spent approximately 29% of its influenceable expenditure through collaborative agreements, which matches the sector average. However, it is considered that more expenditure could be made through collaborative arrangements and this will continue to be a key focus of the 3 rategy.

Areas for improvement:

C1: Develop implementation plans for the use of agreed contracts/frameworks to ensure spend is channelled to these agreements.

9.7 Information Systems/ P2P

Bangor University makes use of some technology to undertake sourcing and purchasing activities. Purchase

package Unit4 ERP, which permits the raising of electronic requisitions, orders and approval workflow. The University has access to an eMarketplace linked to Unit 4 ERP, but little use has been made of it to date as there has been limited IT resource to develop the system. Library related goods are purchased through ALMA and catering goods are purchased via the ProcureWizard system. Approximately, 13% of invoices are received electronically with the remaining being received via email and scanned into Unit4 ERP. Consolidated invoices are used for regular large-scale purchases such as utilities, mobile data and catering.

In terms of sourcing, Bangor University advertises all tenders with a value of £50k+ on the Sell2Wales website. Tender processes are undertaken electronically through the eTenderwales system (Jaggaer) provided by Welsh Government.

Areas for improvement:

- IS1: Develop a procurement ICT strategy to progress towards process automation, thereby increasing efficiency and access to information and data.
- IS2: Increase the percentage of receipt and payment transactions that are processed through a P2P system and improve 3 way match performance.
- 9.8 Supplier Strategy and Policy

Bangor University currently has a fragmented approach to the management of suppliers and contracts. There needs to be a more holistic approach to supplier management including a shift towards a category management approach. Contracts should be managed on an organisational wide basis rather than on a departmental basis.

Greater emphasis needs to be placed on contract management and contract managers will be provided with training following the release of the contract management handbook with the aim of improving supplier performance and reducing risk.

Annex 1 Performance Indicators

Ref.	Benchmark Performance Indicators (National)				
PPI1	Total cost of procurement function as a percentage of impactable spend.				
PPI2	Percentage of impactable spend channelled through collaborative procurement				
	arrangements.				
PPI3	Percentage of impactable spend with Small and Medium Enterprises (SMEs)				
PPI4	Percentage of impactable spend actively influenced by the procurement function.				
PPI5	Annual procurement savings as a percentage of impactable spend.				
	Transactional Performance Indicators				
BU1	Percentage of invoices paid within 30 days.				
BU2	Percentage of orders raised after receipt of invoice.				
BU3	Percentage of orders raised without a purchase order.				
BU4	Percentage of new suppliers created on Agresso following receipt of an invoice				
BU5	Percentage first time match rate on 2 way match (PO+Invoice) or 3 way match (PO+GRN+Invoice).				
BU6	Pareto Analysis on % Expenditure v % Suppliers				
	Strategic Performance Indicators				
BU7	Proportion of spend with Welsh suppliers based on suppliers where location is known.				
BU8	Percentage of impactable spend covered by contract. (Target 75%)				
BU9	Numbers of projects including social value clauses and/or Value of social benefit obtained through procurement.				
BU10	Number of new and renewed contracts being assessed using the Sustainable Procurement Checklist.				
BU11	Sustainable outcomes achieved from procurement (narrative).				
BU12	Number of successful tenderers with an independently verified EMS				
BU13					