

S4C Procurement Strategy

Date of publication: 28 January 2010

1. Introduction

- 1.1 This Strategy explains the principles associated with the procurement of goods and services at S4C and how this supports corporate aims and objectives. The achievement of excellence applies to the implementation of the Strategy.
- 1.2 S4C's aim is to achieve value for money through effective, co-ordinated and robust procurement procedures. These are central to the conduct of S4C business and an understanding of their overall importance is a requirement for all members of staff.
- 1.3 The Strategy builds upon current practice and drives further improvements in procurement procedures, so that they continue to be relevant to business needs. Consideration must be given to achieving best value, maximising cost efficiencies and ensuring supplier sustainability. It is not purely a lowest cost exercise.
- 1.4 The Strategy works in support of the Accounting Officer's duties and responsibilities, and in conjunction with S4C's Fair Trade Policy, the Procurement Policy Statement, S4C's Financial Procedures, the S4C Code of Practice for Commissioning Content and the Risk Management Policy.

2. Procurement

- 2.1 Procurement is the whole process involved in sourcing, engaging and managing spend on goods and services, across the whole range and value of activities managed by S4C.
- 2.2 The range of goods and services procured by S4C is varied. In addition to audiovisual content, procured elements include catering and cleaning services, office supplies, printing services, technical equipment and consumables, IT equipment and consumables, training, communication services and human resources services.
- 2.3 The S4C procurement process includes identifying and defining the scope of spend, developing the business case for the spend, defining the method or approach for procuring the item or service, operating competitive procurement procedures, the awarding and implementation of the contract, managing the contract and reviewing the impact of the spend.

3. The S4C Procurement Strategy

- 3.1 The Strategy is guided by the following principles:
 - 3.1.1 Ensuring transparency, accountability, equality, financial efficiency, regularity, propriety, effectiveness and professionalism;
 - 3.1.2 That all spend is relevant to the business and is in accordance with strategic priorities;
 - 3.1.3 That best practice is operated across the board, minimising administrative burden;
 - 3.1.4 That diversity is promoted and waste is minimised.
- 3.2 With the following specific key aims:
 - 3.2.1 Ensuring value for money;
 - 3.2.2 Operating effective and competitive procurement processes that comply with relevant legislation and policies;
 - 3.2.4 Effective partnership with suppliers, ensuring an innovative, strong and sustainable supply base;
 - 3.2.5 Developing and valuing talent;
 - 3.2.6 Efficient project and risk management for all aspects of procurement;
 - 3.2.7 Integration with S4C's overall aims and priorities.

- 3.3 In order to achieve this S4C will continually:
- 3.3.1 evaluate and improve current procurement practices to achieve best value for money and to ensure S4C's needs are met;
 - 3.3.2 identify opportunities for adding value to contracts/spend;
 - 3.3.3 review procurement processes so as to strengthen and develop them, ensuring that they comply with relevant legislation and codes;
 - 3.3.4 ensure good practice examples are identified and applied consistently across the organisation;
 - 3.3.5 align procurement activities with other strategies;
 - 3.3.6 ensure that current and future procurement activities are planned, monitored and reviewed effectively;
 - 3.3.7 identify opportunities for working with others, constantly reviewing the scope for maximising purchasing volume and ensuring cost efficiencies;
 - 3.3.8 consider how S4C benefits the sector supplying goods and services, conducting periodic supply chain reviews;
 - 3.3.9 ensure that procedures and responsibilities are documented and clear to all members of staff;
 - 3.3.10 ensure that training and support is provided to all members of staff involved in all levels of procurement;
 - 3.3.11 operate an efficient risk management framework;
 - 3.3.12 promote diversity and aim to avoid waste.
- 3.4 S4C will measure procurement activities against this Strategy, including complying with S4C's Welsh Language Scheme.

4. Operation and Responsibilities

- 4.1 Implementation of this Strategy depends on a clear framework for the procurement function, and the responsibilities associated with its operation.
- 4.2 The Chief Executive and Board of Directors have overall responsibility for the drafting and operation of this Strategy.
- 4.3 The Strategy and associated Policies are approved and monitored by the S4C Authority.
- 4.4 The Finance unit will provide operational support, and provide data and reports to measure its success.
- 4.5 The Chief Executive and Board of Directors will be responsible for:
- Drafting and adopting this Procurement Strategy and ensuring it supports S4C's policies, aims and objectives;
 - Maintaining an overview of the procurement framework and methods, ensuring that it is appropriate to the business, operating economically, efficiently and effectively;
 - Monitoring the procurement of contracts relating to primary activities;
 - Monitoring performance with the Strategy;
 - Approving a schedule for the financial and contractual delegated responsibilities across all activity;
 - Managing any risks associated with procurement;
 - Ensuring that the monitoring results informs the review of the Strategy.
- 4.6 All managers will be responsible for:
- Overseeing the procurement function in their own areas;
 - Informing and reviewing the schedule for financial and contractual delegated responsibilities across all activity in their own areas;

- Making sure that staff involved with procurement have the knowledge and skills in place to be able to deliver it effectively;
- Where appropriate arranging project management and resources for specific procured services (e.g. tenders);
- Informing decisions in relation to value for money, risk management and major contracts.

4.7 All members of staff should:

- Be aware of and follow procurement guidelines relevant to the level of risk associated to the goods and services being purchased by them;
- Ensure that best value is achieved at all times;
- Ensure that all spend is administered correctly and that contracts and documentation cover all outgoings;
- Conduct relationships with suppliers and partners in a manner consistent with S4C's aims.

4.8 The Director of Finance and the finance unit will:

- Operate efficient monitoring and accounting procedures for procurement activity across all S4C directorates;
- Monitor procurement methods used;
- Ensure that monitoring data is available to inform the management and review of this Strategy.

4.9 The Board of Directors will review this Strategy annually, and publish a new Strategy every three years.