

Report of the Deputy Chief Executive and Director of Customer & Corporate Services

Corporate Procurement Strategy

Summary

1. The Council's current procurement strategy was approved by the then Cabinet in April 2012. Since that time the strategy has been kept under review to ensure it continues to comply with relevant legislation and best practice in procurement, as well as supporting the Council in meeting its priorities.
2. This report seeks the Executive Member's approval for a refreshed and revised procurement strategy covering the period 2017 to 2019.

Recommendation

3. The Executive Member is asked to note and approve the strategy attached at annex one to this report.

Reason: To ensure procurement is based on sound principles and continues to deliver value for money outcomes in line with the Council Plan, as well as ensuring the procurement process is robust and effective.

Background and analysis

4. The Council spends approximately £140m each year on procuring goods, works and services on behalf of our residents. All aspects of the public sector are continuing to face challenging times and in recent years the Council has had to deal with large reductions in funding, combined with a range of significant pressures. Against this challenging background, procurement opportunities can be used to maximise financial savings and deliver best value. It also provides an opportunity for the Council to use its spending power to support local businesses and grow the economy, as this is crucial to delivering our financial strategy.

5. Having a corporate procurement strategy will guide the Council's procurement policy and procedure and ensure procurement is based on sound principles. This will help to ensure value for money is achieved and that the procurement process is robust and effective.
6. The Council is committed to providing high quality outcomes and ensuring we can meet our strategic objectives. This requires us to make good decisions about how we spend Council funds. This is underpinned by the procurement strategy.
7. In times of financial challenge, effective procurement can maximise savings as well as enhancing social value by, for example, ensuring employment and skills plans are in place and including requirements to pay the living wage and by supporting the local economy.
8. Should the strategy be approved, the next step will be to develop a SMART (specific, measurable, achievable, realistic, timely) action plan to support the delivery of the strategy.

Consultation

9. The strategy has been reviewed by Council Management Team and has had input from colleagues in Adult Social Care commissioning. A task and finish group has been created to ensure the delivery of the strategy and the development of a commissioning strategy for the Council.

Options

10. No further options have been considered by officers. The updated strategy is important to support best practice procurement across the Council.

Council Plan

11. The procurement strategy demonstrates delivery of the Council Plan by focusing expenditure on key priorities, protecting vulnerable residents and delivering value for money in all council purchasing.

Implications

12. The implications are:
 - **Financial** The Procurement Strategy is designed to support the delivery of best value in all spending decisions. Agreement to the updated Strategy will continue to promote the most cost effective use of council resources.
 - **Human Resources (HR)** There are no HR implications.

- **One Planet Council / Equalities** The Procurement Strategy aims to be as inclusive as possible, ensuring opportunities to promote and encourage local growth are built into our procurement exercises. When contracting with national suppliers, we will encourage them to engage local suppliers in the delivery of services. We will also require our suppliers to demonstrate a commitment to equalities and be responsive to the needs of our communities.
- **Legal** Failure to follow appropriate procurement guidance and legislation has the potential to create significant complications for the Council. The Strategy promotes best practice and ensures clarity for officers.
- **Crime and Disorder** There are no crime and disorder implications.
- **Information Technology (IT)** There are no IT implications.
- **Property** There are no property implications.
- **Other** There are no other implications.

Risk Management

13. The key risks associated with procurement are that the Council does not get value for money from external spend or that it is challenged for non compliance with either our own internal processes or with the relevant legislation. Consistent procurement processes, effective planning and a focus on governance issues will mitigate these risks to an acceptable level.

Contact details

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	Report Approved	✓	Date 03/07/2017
Wards Affected: <i>All</i>			
<i>For further information please contact the author of the report</i>			