



## **The Borough Council of Newcastle-under-Lyme**

### **Procurement Strategy**

**2014 - 2017**

Procurement concerns the acquisition of all goods, works and services.

Procurement covers every aspect of the purchasing process from determining the need for goods, works or services, to buying and delivery in order to help achieve the Council's vision of creating a Borough that is prosperous, clean, healthy and safe.

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## 1. Forward

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The Borough Council of Newcastle-under-Lyme spends approximately £14 million per year in delivering its services and it is the Council's responsibility to use this money in the best possible way to deliver positive outcomes through the achievement its objectives, whilst – at the same time - tackling the financial challenges facing local government generally.

This strategy aims to provide the framework to ensuring a co-ordinated approach to sustainable procurement across the Council and beyond. This is an essential element in making sure that innovative methods to improve procurement practices are used, delivering both cashable and non-cashable savings where appropriate and also underpinning the co-operative work the Council is developing.

Robust procurement methodology will assist the Council in achieving its ambitions by realising value for money, from the way in which it procures goods and delivers its services, through using its resources in an economic efficient and effective way, to allowing savings to be re-directed to frontline services.

The strength of the Council and its intent to create a borough that is prosperous, clean, healthy and safe, has been recognised on many levels. This strategy aims to effectively contribute to essential back office processes through the use of good procurement methods to underpin the delivery of first class frontline services.

I am therefore pleased to present this Procurement Strategy, which underpins our work in this very important area of Council expenditure and I feel it important to highlight the aims of this Strategy: -

- To secure elected Member and officer (at all levels) commitment to effective and efficient procurement delivered by the relevant departments within the authority
- To work collaboratively with partners to develop our strategic procurement approach across all service groups
- To encourage long term service planning and proper strategic planning of commissioning and procurement projects
- To positively contribute to delivering efficiency improvements from procurement resulting in value for money across all council services
- To support the development of the community by working with our local providers to help them to create greater opportunity to compete for Borough Council business
- To ensure adequate provision is made to accommodate Community Right to Challenge and facilitate any requests arising from this
- To promote responsible procurement in terms of addressing Social Value and including social, economic and environment issues, local sustainability and equality and diversity

I look forward to the aims of this Strategy becoming embedded in our organisation, thereby leading to the procurement of a sustainable future.

Cllr Elizabeth Shenton  
Cabinet Member for Finance & Resources  
Newcastle under Lyme Borough Council

## 2. Executive Summary

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This document sets out the strategic approach to procurement that will be undertaken by The Borough Council of Newcastle-under-Lyme between 2014-17. It is not intended to be a procurement manual as such, although the principles contained within the strategy should be applied to all procurement activity, whoever leads upon specific projects. Consideration of this strategy is not optional and it should be read in conjunction with the Council's detailed Financial Regulations; Contract Standing Orders/Contract Procedural Rules and Sustainable Procurement Guidance.

- 2.1 The Strategy emphasises the continuing importance of 'Sustainable Procurement' - using procurement to support wider social, economic and environmental objectives in ways that offer real long term benefits – Social Value. New legislation has presented further challenges to the Council's elected Members and officers, including the 'Community Right to Challenge' (set out in the Localism Act 2011) which puts additional pressure on the limited resources available.
- 2.2 Maintaining service quality and managing demand whilst delivering cost reductions and meeting efficiency targets will not be achieved if the Council fails to approach competition positively, taking full account of the opportunities for innovation and genuine partnerships which are available through working with others in the public, private and voluntary sectors. In doing so, organisational leadership will ensure compliance and maximise savings potential for the Council.
- 2.3 This strategy provides a corporate focus for procurement. It embraces the commitment to strategic procurement within The Borough Council and sets out the Council's aspirations.
- 2.4 This strategy focuses upon achieving outcomes both through strategic and routine procurement projects. Whilst not intending to be a procurement manual, the principles contained within this strategy should be applied to all procurement activity across the Council.
- 2.5 Through effective management, procurement aims to continue to have a positive impact in supporting corporate objectives including around the environment, economic regeneration, diversity and the delivery of community-focused strategies.
- 2.6 The main issues underpinning the development of this strategy are:
  - Efficiency, Collaboration and Shared Services
  - Procurement Legislation & Regulation (EU and UK)
  - Equalities and Diversity
  - Social Value
  - Design and Construction
  - Sustainability and Whole Life Costing
  - Incorporating the Needs of Local Citizens
- 2.7 The strategy aims to balance the strive for efficiency and quality with the desire for socially responsible procurement and the engagement of local and regional suppliers to promote the local economy and take account of the social and environmental impacts of spending decisions.

- 2.8 The Council is developing its approach to ensure that positive outcomes for local people shapes procurement and commissioning projects, by involving local people where appropriate in the specification, evaluation and monitoring of relevant procurement and commissioning projects. This forms part of the basis for the Council's work in seeking to become a co-operative council (one of the four corporate priorities of the Council).
- 2.9 The mission statement which underpins this strategy is "to deliver high quality and cashable procurement outcomes at low cost"
- 2.10 The mission statement will be achieved by meeting four aims:
- Officers within the Council will make effective procurement decisions that comply with regulatory requirements,
  - All aspects of the Council's procurement activity will be effective,
  - Efficiency savings will be achieved through effective procurement,
  - The Council's procurement activity will support the local economy through transparent and inclusive procurement processes.
- 2.11 The procurement function sits within the Business Improvement, Central Services and Partnerships service, which also includes Risk, Equalities, Performance Management, Business Improvement, Legal and Partnerships.
- 2.12 This approach will allow the Council to remain flexible in being able to respond to the rapidly evolving environment that it is a part of, including the threats and opportunities that arise within that environment. Best value and efficiency will not be achieved unless the Council accepts the challenge of assessing procurement options positively, taking full account of the opportunities for innovation and genuine shared service delivery models which are available from working together with like-minded partners as opportunities arise.

### 3. Background and Introduction

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- 3.1 The Borough Council of Newcastle-under-Lyme has experienced year on year reductions in funding, resulting in reductions in spend on goods and services, with approximately £14 million being spent during 2013-14.
- 3.2 The deficit reduction programme initiated by the national Government has had a massive impact upon the Council and we are now being tasked to reduce expenditure and identify ways in which to make savings over the lifetime of this strategy. These reductions in funding come at a time when demand for council services has never been greater with an ageing population, together with a rise in births and social care spending.
- 3.3 It is essential, therefore, to rethink how we procure our goods and services; ensuring that they are both cost effective and address the needs of residents and businesses. We need to spend only on what we need and ensure what we do buy delivers real and sustainable value. It is essential to balance cost and quality in the procurement of all goods and services.
- 3.4 Effective procurement can help us deliver our broader objectives and support the priorities of the Council. A commitment to sustainability, fairness and the development of our local economy will be built into our purchasing decisions. We will develop a mixed economy of delivery, with the Council procuring services from those who are best placed to deliver them effectively.
- 3.5 We need to ensure we clearly identify our needs, make the most of our buying power to shape markets to deliver what we need and ensure that we are getting what we pay for. Economic considerations will be balanced with the need for positive environmental and social outcomes.
- 3.6 Whilst this must all be done within the bounds of European Union (EU) Procurement legislation, we will continue to encourage local sourcing and the use of local labour.

*Measures will be taken to address the challenges presented by The Community Right to Challenge and minimise the impact of the councils reacting to those requests.*

We will build in broader social outcomes, alongside more traditional measures of cost and quality.

- 3.7 Procurement has a far broader meaning than that of simply purchasing, buying or commissioning. It is also about securing assets and services that best meet the needs of users and the whole community spanning the life cycle of an asset or service. This life cycle is generally defined as being from the initial definition of the business need through to the end of the useful life of the asset or service, including any costs of disposal.

- 3.8 Commissioning is the process of establishing the services the citizen wants or needs, and then deciding the best way to deliver those services, be it in-house or via the voluntary, community, private or public sectors or a combination of them ('make, buy or share'). If the decision is made to buy those services in, this then becomes a procurement activity.
- 3.9 This strategy sets down the basis of developing and implementing best value throughout our services to citizens and the business community, aligned with the challenge to deliver ongoing savings in line with the authority's need to respond to the changing financial environment.
- 3.10 The Council will continue to develop its procurement principles and practices aiming to deliver further improvements in this key service.

## 4. Vision

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- 4.1 The Council's vision comprises the desire to demonstrate continuous improvement and the achievement of value for money through the effective procurement of goods and services in order to ensure that the Council's needs and those of the local community are met.
- 4.2 Also, to have a clear framework of accountability and responsibility that adopts legally compliant, best practice procurement procedures and techniques.
- 4.3 To build a diverse and competitive market that can supply the Council and its service users' requirements and provide value for money.
- 4.4 To encourage communication and interaction with local and National suppliers to understand their views and what enables and encourages diverse parts of the market to bid for work with the Council.
- 4.5 To develop a relationship between the Council, our public sector partners, as well as our business community and the broader voluntary and community sector that creates mutually advantageous, flexible and long term relations based on continuous improvement of quality of performance and financial savings.

## 5. Approach

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- 5.1 The Council's procurement activity will deliver value - both financial and social - ensuring that the maximum benefit is achieved throughout the life of any contract and that whole life costs and broader benefits are delivered throughout the procurement process. The Council will procure goods and services which meet its quality criteria to deliver its desired outcomes. The Council will *encourage the management of* contracts and supplier relationships to ensure the benefits of contracts are delivered throughout the lifetime of a contract.
- 5.2 The Council remains committed to improving its approach to procurement. This will be achieved through:
- Development of simpler and standard processes
  - Identification of training needs and undertaking procurement training across the Council to ensure consistent performance and delivery
  - Removing duplication
  - Continually researching, communicating and collaborating with local businesses and the Voluntary and Community Sector
  - Improved advertising of contract opportunities.
  - Through the use of better technology, make competing for Council business easier
- 5.3 The Council will only buy what it really needs and make sure that the level of quality it specifies is good enough to do the job over time but not beyond than we need. The Council will eliminate unnecessary spend, remove waste and reduce the overall

amount of money being spent on goods and services. It will also apply the key principles of demand management which are:

- Eliminate – is the requirement really needed or can the consumption be stopped?
- Replace – can the Council use lower cost or more effective alternatives?
- Reduce – can the Council use less of a product or service

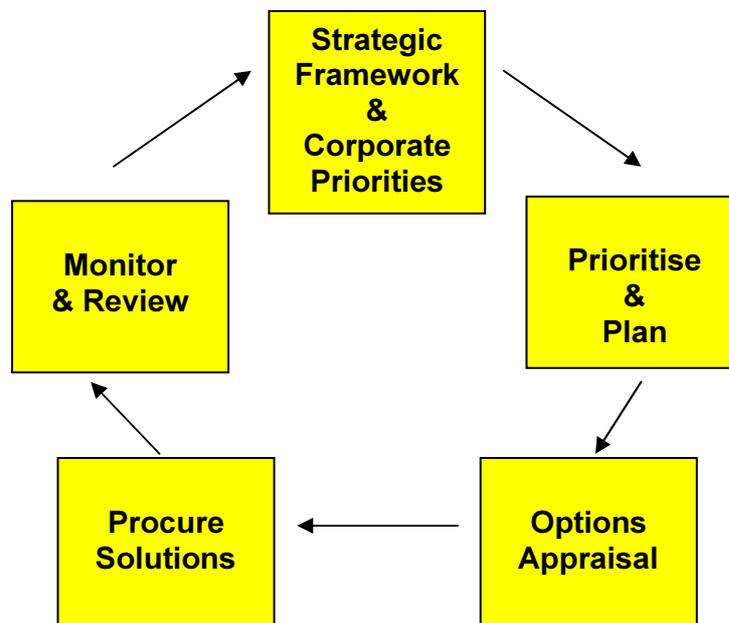
5.4 *Systems and Processes* – The Council, working with its suppliers, will streamline the procurement process and increase commercial interaction. It will

- simplify the tender process and remove multiple requests for the same information reducing valuable time and effort for all parties
- provide potential suppliers to the Council with timely and accurate information of Council opportunities
- undertake effective contract management
- better manage risk
- provide compliance and control
- provide transparency, equality and fairness to the process

### Commissioning Approach

5.5 *Commissioning Cycle* – it is important that procurement is seen and managed as a component of the commissioning cycle as illustrated in Figure 1 below:

Figure 1 - Commissioning Cycle



The Council's approach as included in this strategy and the main elements of the commissioning cycle can be described as follows:

- Strategic Framework and Corporate Priorities - procurement operates within a framework including this strategy, procurement and financial procedure rules. Procurement must be carried out in a manner which supports the Council's Vision, Priorities, Outcomes and Activities, in addition to its Community Strategies. It should contribute towards a safe and healthy environment, support the local economy where possible, promote equality and diversity and be open, honest, responsive and accountable in its decision making.
- Prioritise and Plan - strategic procurement activity, delivered by the relevant officer and the procurement function, should be planned preferably over a three year cycle, and linked to annual service plans. Localised service procurement activity, supported by the procurement function should also be planned to avoid "panic" buying and contract overruns. Good planning will allow common areas of spend to be aggregated in order to obtain economies of scale and secure value for money.
- Options Appraisal (make, share or buy) - procurement decisions need to be taken as to whether it is necessary to procure and whether they should be obtained internally, in partnership or externally. Decisions also need to be taken as to the most appropriate route to procure goods, services and works to ensure the Council achieves best value.
- Procure Solutions - The actual procurement process depends upon articulating the required outcomes. It requires an identification and scope of requirements, an understanding of existing total cost of ownership, a specification of the requirement, a market analysis and review of potential procurement options, the procurement exercise itself and finally contract and relationship management.
- Monitor and review - The monitoring and management of contracts is critical to the success of service delivery. Contractual arrangements should be effectively managed and monitored throughout the contract duration. Contracts should normally include quality and performance standards which are monitored. Strategic contracts will be subject to annual review by the officers responsible and where required with the support of the procurement function. A good working relationship should be developed with all suppliers and plans should be made well in advance of the expiry of a contract for reappraisal or re-letting.

## Procurement Approach

5.6 In order that the vision, aims and objectives are achieved, the scope of the procurement function itself will support in the management of the following key activities across the procure-to-pay process:

- Understanding the demand and business requirements for goods and services,
- Sourcing of the required goods and services from qualified suppliers at best value and in accordance with the appropriate tendering regulations (Council Standing Orders/Contract Procedural Rules in Relation to Contracts/Contract Procedural Rules) and Financial Regulations,
- Where appropriate ensuring that contracts and service levels are agreed and clearly defined with suppliers,

- Ensuring with the support of creditors that end users are able to raise electronic requisitions which result in approved purchase orders transmitted to the supplier.

## Procurement Approach and Objectives

5.7 The procurement objective is to deliver openness, transparency and fairness in its approach to procurement, delivering high quality outcomes for the monies expended on behalf of the citizens of the Borough of Newcastle-under-Lyme. Procurement is seen as a driver to identifying and delivering ongoing cashable savings.

5.8 The approach is further supported by the following aims:

- The Council will make effective procurement decisions that comply with regulatory requirements.
- The Council's procurement activity must remain effective and developed further to support officers as part of a devolved structure.
- Efficiency savings can be achieved through effective procurement.
- The Council's procurement activity will continue to support the local economy as part of transparent and inclusive procurement processes.

5.8 The achievement of the procurement approach and its aims has resulted in a number of objectives being established. The objectives linked to each of the aims are detailed below:

| Aim   | Objectives   |
|---|--|
| The Council makes effective procurement decisions that comply with regulatory requirements: | Work with officers to maximize spend under formal contract.  |
|   | Support and guide officers and ensure professional input is offered into procurement activities and that the Council complies with legislative requirements. |
|   | Provide a challenge process that enables officers to consider the potential range of procurement options.  |
|   | Maintain awareness of current/changing legal requirements for all officers involved within the procurement processes.  |

| Aim   | Objectives  |
|---|---|
| The Council's procurement activity must remain effective and developed further to support officers as part of a devolved structure. | Deliver a cost effective procurement function.  |
|   | Make appropriate use of technology to support procurement activity, where this can be proved cost effective |
|   | Deliver high levels of satisfaction to users of the procurement service.                                    |
|   | Continue to develop the Council's procurement hub and supportive guidance.                                  |

| Aim   | Objectives   |
|---|--|
| Efficiency savings can be achieved through effective procurement. | Strategic procurement reviews produce financial savings.             |
|   | Routine procurement reviews produce financial savings.               |
|   | Spend analysis gives greater focus.                                  |
|   | Increase aggregation with like partners to support greater leverage. |

| Aim  | Objectives   |
|--|--|
| The Council's procurement activity supports the local economy through transparent and inclusive procurement processes. | Ensure that Micro Businesses (Micros); Small to Medium Enterprises (SMEs); Social Enterprises have opportunities to "Do Business" with the Council.    |
|  | Ensure that local businesses have opportunities to "Do Business" with the Council.   |
|  | Ensure that the Council engages with Micros; SMEs; Social Enterprises; and local businesses reducing perceived barriers in working with public sector. |
|  | Ensure that Third Sector, Not for Profit and Social Enterprises have opportunities to engage and tender for commissioning opportunities.               |
|  | Ensure that the Council supports businesses through the prompt payment of invoices.  |

**6. Procurement Action Plan 2014 - 17**

6.1 The Procurement Action Plan sets out the procurement projects and actions that will be undertaken over the next four years:

## 6. ACTION PLAN

### KEY OBJECTIVE 1     ORGANISATION

*Ensure we maintain corporate support and establish a long term commitment from both members and officers at all levels to improve the profile of Procurement within the Borough of Newcastle-under-Lyme. We will review any shortfalls and continue to focus on the objectives that support the National Procurement Strategy for local government and the Borough Council's strategic priorities, to realise economic social and environmental benefits for Newcastle-under-Lyme.*

| Position Statement   | Key Issues  | Objectives   | Indicative Timescales  | Lead Officer                                     |
|--|---|--|--|--|
| 6.1.1 The Procurement Strategy is adopted and endorsed by members and officers at all levels.                | Procurement Strategy should be embedded in all major procurement decisions.   | To communicate and ensure Corporate recognition for procurement practices and procedures.  | Ongoing throughout the period of the strategy.                       | B.I.M. / B.I.O.P.P.                              |
| 6.1.2 Members are proactively engaged in strategic procurement projects.                                     | To maintain Member interest in strategic procurement.   | Relevant Portfolio holders are kept informed and updated on the progress of strategic procurements throughout the authority.   | Ongoing throughout the period of the strategy.                       | H.B.I.P.C.S. / B.I.M.                            |
| 6.1.3 The Council Procurement Working Group meets on a four monthly basis.                                   | Ensure that appropriate focus is maintained and the group proactively contributes to ongoing procurement improvements and savings agenda. | There is a need to continue to focus efforts of the group on<br>> Effectively delivering cashable savings.<br>> Delivering compliance to governance procedures.<br><br>Review the existing terms of reference and identify target areas for improvement. | Ongoing throughout the period of the strategy.<br><br>December 2014. | H.B.I.P.C.S. / B.I.M.<br><br>B.I.M. / B.I.O.P.P. |
| 6.1.4 The Council has formulated a gateway process to support all new procurements throughout the authority. | Whilst ratified by EMT there is mixed support on its implementation from Heads of Service and Business Managers.                          | Utilise the concept of gateways when supporting officers to deliver future procurement solutions.  | Ongoing throughout the period of the strategy.                       | B.I.M. / B.I.O.P.P.                              |
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## 6. ACTION PLAN

### KEY OBJECTIVE 2 PARTNERSHIPS, COLLABORATION & FRAMEWORK AGREEMENTS

*Deliver consistent and better quality services that meet the identified needs of individuals and groups within the Newcastle-under-Lyme and develop mixed economy, through strategic partnerships, framework agreements and collaboration with a range of public, private and voluntary suppliers.*

| Position Statement   | Key Issues  | Objectives  | Indicative Timescales  | Lead Officer   |
|--|---|---|--|--|
| 6.2.1 The Council is willing to participate in partnerships with neighbouring authorities, public sector and voluntary sector organisations. | Partnerships and shared services require commitment from both parties to manage and negotiate effectively.<br><br>Interaction with Micros; SMEs; Voluntary/Community Sector and Social Enterprises. | (a) Continued identification of suitable partnership groupings.   | Ongoing throughout the period of the strategy.   | B.I.M. / B.I.O.P.P.  |
|  |   | (b) Participation in regional procurement and commissioning group activity, exploration of contract alignment and aggregation of spend with partners to deliver mutually beneficial cashable and non-cashable savings, whilst maintaining service and quality.                | Ongoing throughout the period of the strategy.   | B.I.M. / B.I.O.P.P. / P.W.G.   |
|  |   | (c) Review and update of the Commissioning (previously the 'Third Sector Commissioning Framework') process.   | December 2014  | B.I.O.P.P.   |
|  |   | (d) Commissioning and grants processes should not conflict but constructively deliver complimentary outcomes.   | December 2014  | B.I.O.P.P.   |
| 6.2.2 The Council is party to various framework agreements.  | Identify/investigate additional potential areas of spend that could benefit from using framework agreements.  | (a) To explore the feasibility of using new framework agreements.<br>(b) Ensure where possible each framework used offers 'Best Value' to the authority.<br>(c) Consider the inclusion in contracts of a clause allowing other interested Councils to enter the relationship. | Ongoing throughout the period of the strategy.<br>Ongoing throughout the period of the strategy.<br>Ongoing throughout the period of the strategy. | P.W.G. / B.I.M. / B.I.O.P.P.<br>B.I.M. / B.I.O.P.P.<br>B.I.M. / B.I.O.P.P. |
| 6.2.3 The Council has skill sets that may support wider partners.  | Where capacity permits offer such services to local partners.   | Identify partners who might benefit from utilising skill set within the Council, seek to trade such providing a possible income stream to the authority.  | Ongoing throughout the period of the strategy.   | H.B.I.P.C.S. / B.I.M.  |
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## 6. ACTION PLAN

### KEY OBJECTIVE 3 PROCUREMENT MANAGEMENT INFORMATION

*Ensure we have a robust financial system forming a solid platform for future innovation. Maximise the cost effectiveness of Best Practice Procurement Processes by minimising administrative processes in a consistent manner and so adding value across the Council.*

| Position Statement   | Key Issues  | Objectives  | Indicative Timescales                                  | Lead Officer   |
|--|---|---|--|--|
| 6.3.1 The availability of Contract information has improved with the introduction of a contracts register.   | <p>(a) Further improvements may be delivered by utilising the contracts register module in the new Civica Financial Management software.</p> <p>(b) Still remains a high emphasis of 'offer and acceptance' contracts as opposed to formal contracts.</p> | <p>(a) To review the module and begin to use for (as a minimum) all new contracts.</p> <p>(b) Review and update general terms and conditions of purchase:</p> <ul style="list-style-type: none"> <li>➤ Ensure that these are published with every order;</li> <li>➤ Establish acceptance of general Terms with Monitoring Officer.</li> </ul> | <p>December 2014.</p> <p>September 2014.</p>           | <p>B.I.M. / B.I.O.P.P.</p> <p>B.I.M. / B.I.O.P.P.</p>                            |
| 6.3.2 New Financial Management system introduced.  | Spend analysis limited from the new Civica Financials.  | Work with both finance and creditor's service departments to develop spend analysis.  | Ongoing throughout the period of the strategy.         | B.I.M. / B.I.O.P.P.  |
| 6.3.3 The Localism Act 2012 places a number of requirements on local authorities linked to:<br>(a) The Community Right to Challenge to deliver services on behalf of the authority;<br>(b) Assets of Community Interest (Community Right to Bid) requiring the Council to maintain a list of assets which are deemed to be of community value. | The Council needs to produce guidance on both its intranet and internet site to support stakeholders in applying the requirements of the act.   | <p>(a) Protocols, procedures, guidance and monitoring need to be formalised and embedded throughout the authority.</p> <p>(b) Protocols, procedures, guidance need to be published and transparent.</p> <p>(c) Key stakeholders need to be identified and made aware of their respective roles in each of the processes.</p>                  | <p>March 2015.</p> <p>July 2014.</p> <p>July 2014.</p> | <p>B.I.M. / B.I.O.P.P.</p> <p>B.I.M. / B.I.O.P.P.</p> <p>B.I.M. / B.I.O.P.P.</p> |
|  |   |   |  |  |

## 6. ACTION PLAN

### KEY OBJECTIVE 4 VALUE FOR MONEY

*To achieve best value for money on all procured goods, works and services and reduce the cost of the procurement process and ensure continuous improvement.*

| Position Statement  | Key Issues  | Objectives  | Indicative Timescales                          | Lead Officer                       |
|---|---|---|--|------------------------------------|
| 6.4.1 Large number of suppliers with high level of low value/high frequency invoices.                           | Continue to rationalise supply base to maximise business opportunities and minimise costs to the authority.   | (a) Increase the use of core contracts and focus on strengths of our suppliers in liaison with the main users,  | Ongoing throughout the period of the strategy. | B.I.M. / B.I.O.P.P. / P.W.G.       |
|   | Identify possible opportunities with like public sector or organisations to aggregate and share services - providers.   | (b) Identify potential opportunities with like public sector organisations.   | Ongoing throughout the period of the strategy. | B.I.M. / B.I.O.P.P.                |
| 6.4.2 Limited core contracts in place.  | Opportunities and benefits may be being missed by the authority to deliver best value from corporate contracts.   | (a) Review existing categories / suppliers / service user's contracts with a view to introducing further corporate contracts,   | December 2015.                                 | B.I.M. / B.I.O.P.P.                |
|   |   | (b) Improve corporate understanding of common spend,  | Ongoing throughout the period of the strategy. | B.I.M. / B.I.O.P.P.                |
|   |   | (c) Focus on the scope and viability of contracts with core suppliers.  | December 2015.                                 | B.I.M. / B.I.O.P.P.                |
| 6.4.3 The Council faces significant budgetary shortfalls from central government over the life of the strategy. | The Council's 20:20 project has been established to support in the identification of outcomes that will support in the delivery of savings. Procurement savings have been identified in minimising the impact of such shortfalls. | The procurement function will work with EMT; Heads of Service and Business Managers to deliver savings as part of existing and new contracts let by the authority. It will use its knowledge of procurement options to support the delivery of best value to the authority.                   | Ongoing throughout the period of the strategy. | B.I.M. / B.I.O.P.P. / H.B.I.P.C.S. |
| 6.4.4 The Council undertakes limited procurement collaboration.   | Potential savings missed to aggregate volumes and lever better pricing from the marketplace.  | Actively review the opportunities for partnership working at all other appropriate levels, and engage as appropriate: <ul style="list-style-type: none"> <li>➤ IEWM,</li> <li>➤ Staffordshire Procurement Group,</li> <li>➤ Other local partners and organisations as appropriate.</li> </ul> | Ongoing throughout the period of the strategy. | B.I.M. / B.I.O.P.P.                |
|   |   |   |  |                                    |

## 6. ACTION PLAN

### KEY OBJECTIVE 5    E-PROCUREMENT

*Expand the implementation of the e-procurement solutions to stimulate electronic trading at all levels of the business spectrum.*

| Position Statement   | Key Issues  | Objectives  | Indicative Timescales  | Lead Officer                               |
|--|---|---|--|--|
| 6.5.1 Both central government and the EU have priorities linked to the increase of e-procurement within member states. The Council is working to develop e-procurement solutions.  | Identify best e-procurement practices that will be cost effective in the delivery of e-solutions.   | Evaluate and adopt where appropriate<br>(a) E-tenders, work has commenced with like authorities to deliver an e-tendering solution through Bravo. Training needs to be completed, system embedded and suppliers trained in the use of the new system,<br>(b) Examine the application and level of E-invoicing used within the authority, promoting where possible greater use,<br>(c) E-marketplace,<br>(d) Investigate the possible introduction of a common advertising platform with like partner within the region. | March 2014.  | B.I.M. / B.I.O.P.P.                        |
|  |   |   | December 2014.   | B.I.M. / B.I.O.P.P.                        |
|  |   |   | December 2015.   | B.I.M. / B.I.O.P.P.                        |
|  |   |   | December 2015.   | B.I.M. / B.I.O.P.P.                        |
| 6.5.2 Standard documents exist within the Council; however benefits would be gained in adoption of a range of Staffordshire templates. Work has commenced with like partners on the introduction of standard tender documents. | Upon completion there will be possible opportunities for local suppliers to electronically pre-register to the system.                                  | Working with the Aspire Group and Staffordshire County Council:<br>(a) examine the benefits,<br>(b) agree the approach to deliver proposed solution,<br>(c) Communicate approach with local providers,<br>(d) Launch and embed the system,<br>(e) Monitor progress.   | December 2014.   | B.I.M. / B.I.O.P.P.                        |
|  |   |   | December 2014.   | B.I.M. / B.I.O.P.P.                        |
|  |   |   | December 2014.   | B.I.M. / B.I.O.P.P.                        |
|  |   |   | December 2014.<br>Ongoing throughout the period of the strategy. | B.I.M. / B.I.O.P.P.<br>B.I.M. / B.I.O.P.P. |
| 6.5.3 The Council has a limited approach to advertising opportunities for receiving quotations.  | To improve transparency and engagement with local suppliers the Council needs to examine and improve possible routes to advertising such opportunities. | Examine alternate methods of electronically advertising such opportunities.   | Ongoing throughout the period of the strategy.                   | B.I.M. / B.I.O.P.P.                        |
|  |   |   |  |  |

## 6. ACTION PLAN

### KEY OBJECTIVE 6 SUPPLIER DEVELOPMENT

*Promote Public Sector as preferred customers. Focus on supplier development, aggregation, supply chain management and promote the opportunity for businesses; Micros; SME's and Social Enterprises to trade with Public Sector Bodies.*

| Position Statement   | Key Issues  | Objectives   | Indicative Timescales  | Lead Officer  |
|--|---|--|--|---|
| 6.6.1 The Council seeks to promote greater involvement from a range of providers in public sector procurement.                                   | Limited source information available on the various supplier bases open to the authority to use.  | (a) Ongoing consultation with the business community to address any concerns over the ability to engage with NULBC,<br>(b) Support local organisations, increasing awareness of local opportunities,<br>(c) Contribute and develop 'Meet the Buyer' and 'Supplier' events,<br>(d) Work with local partners to develop alternate solutions as part of transparency,<br>(e) Work with local 'Chambers' to develop solutions. | Ongoing throughout the period of the strategy.<br><br>Ongoing throughout the period of the strategy.<br>Ongoing throughout the period of the strategy.<br>Ongoing throughout the period of the strategy.<br>Ongoing throughout the period of the strategy. | B.I.M. / B.I.O.P.P.<br><br>B.I.M. / B.I.O.P.P.<br>B.I.M. / B.I.O.P.P.<br>B.I.M. / B.I.O.P.P.<br>B.I.M. / B.I.O.P.P. |
| 6.6.2 The Council looks to collaborate with like partners to promote greater involvement from a range of providers in public sector procurement. | Local partners strive to develop greater opportunities to engage with local Micros; SME; Community & Voluntary Organisations and Social Enterprises.  | (a) Identify like partners,<br>(b) Identify the range of providers in the local marketplace,<br>(c) Identify key stakeholders within the process,<br>(d) Develop suitable engagement options,<br>(e) Implement and embed.  | }<br>}<br>} Ongoing throughout the period of the strategy.<br>}<br>}   | B.I.M. / B.I.O.P.P.<br><br>B.I.M. / B.I.O.P.P.<br>B.I.M. / B.I.O.P.P.<br>B.I.M. / B.I.O.P.P.<br>B.I.M. / B.I.O.P.P. |
| 6.6.3 Staffordshire Chamber of Commerce & Industry have identified the need to support Local Enterprises to become tender ready.                 | Mixed range of businesses and skill sets in Micros; SME; & Social Enterprises in tendering for council opportunities. Need to understand potential supply chain links to further enhance opportunities where the Council introduces lots as part of higher value contracts. | Work with the s Staffordshire Chamber of Commerce & Industry to understand the range of businesses, capacity and level of understanding on how to tender. Work to develop solutions where shortfalls are identified.   | Ongoing throughout the period of the strategy.   | B.I.M. / B.I.O.P.P.   |
| 6.6.4 Is the Council a "Customer of Choice" by providers?  | Ensure visibility of the Council's requirements by posting up to date contracts and tender information on the web and using appropriate means of communication, proportionate to the value/risk of the contract and market strategy.  | As part of transparency identify appropriate means of advertising opportunities, My Tenders; Bravo; Staffordshire E-Marketplace; Council website; Social Media.  | Ongoing throughout the period of the strategy.   | B.I.M. / B.I.O.P.P.   |
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## 6. ACTION PLAN

### KEY OBJECTIVE 7 CONTROLS, STANDARDS AND MANAGEMENT OF RISK

*Ensure compliance with Councils Standing Orders/Contract Procedural Rules, Financial Regulations and European Legislation, covering procurement and tendering.*

| Position Statement   | Key Issues   | Objectives  | Indicative Timescales   | Lead Officer   |
|--|--|---|---|--|
| 6.7.1 Standing Orders/Contract Procedural Rules and Financial Regulations exist to provide uniform procedures, probity and safeguards. Compliance with governance procedures helping to protect officers against accusations of impropriety.   | Are all departments compliant?<br><br>Need to review Council Standing Orders / Contract Procedural Rules.<br><br>Transparency and appropriate advertising is a key factor in the current economic environment. | (a) Internal audit process support in compliance,<br>(b) Review and update Council Standing Orders / Contract Procedural Rules in Relation to Contracts,<br>(c) Further develop and publish toolkit to reinforce relevant Standing Orders / Contract procedural Rules,<br>(d) Review financial levels and appropriate advertising routes to promote wider participation from the local marketplace. | Ongoing throughout the period of the strategy.<br>December 2014.<br><br>December 2014.<br>April 2014. | B.I.M. / B.I.O.P.P. / A.M.<br><br>B.I.M. / B.I.O.P.P.<br><br>B.I.M. / B.I.O.P.P. |
| 6.7.2 Ensure that risk is appropriately managed.   | Procurement remains legal, ethical and transparent.<br><br>Strategic procurements should be supported with a full risk assessment.   | (a) Encourage a transparent and equitable procurement process – via audit, publication of policies and appropriate training,<br>(b) Ensure that relevant officers engaged in strategic procurements are aware of the need to undertake an appropriate risk assessment, supported by the Business Improvement Officer (Risk & Insurance).  | Ongoing throughout the period of the strategy.<br><br>Ongoing throughout the period of the strategy.  | B.I.M. / B.I.O.P.P. / A.M.<br><br>B.I.M. / B.I.O.P.P. / B.I.O.R.I.               |
| 6.7.3 EU procurement legislation and threshold changes will occur throughout the life of the current procurement strategy.   | Officers throughout the council need to be aware of the changes that impact on the delivery of compliant procurement processes.  | Officers continue to monitor changes to legislation informing relevant stakeholders of such and the impacts to future procurements.   | Ongoing throughout the period of the strategy.  | B.I.M. / B.I.O.P.P.  |
| 6.7.4 Social Value Act - Public authorities are now required to consider, prior to undertaking the procurement process, how any services procured (whether covered by the Public Contracts Regulations 2006 or otherwise) might improve economic, social and environmental well-being. | Guidance will help officers understand how social value might be considered as part of future procurements.  | (a) Produce and publish social value guidance in the form of a toolkit and embed throughout the authority,<br>(b) Make toolkit available to partners who might have an interest,<br>(c) Support further by publishing standard social value clauses.  | March 2014.<br><br>March 2014.<br><br>September 2014.   | B.I.M. / B.I.O.P.P.<br><br>B.I.M.<br><br>B.I.M.                                  |
| 6.7.5 Sustainable Procurement Guidance will inform officers of the Council's approach to the delivery of sustainability in procurement.  | Officers should be able to develop a sustainable approach to all future procurements by clearly understanding the approach the benefits to be gained.  | (a) Draft and publish simple guides to incorporating sustainability into future procurement projects.   | March 2015 and throughout the period of the strategy.   | B.I.M. / B.I.O.P.P.  |
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## 6. ACTION PLAN

### KEY OBJECTIVE 8 TRAINING

*Develop procurement skills across the organisation to support the implementation of procurement policy and strategy.*

| Position Statement   | Key Issues   | Objectives  | Indicative Timescales  | Lead Officer  |
|--|--|---|--|---|
| 6.8.1 The Council has a number of skilled officers in relation to purchasing, negotiation and the management of contracts. | As officer's roles change and new officers join the authority not all have these skills, even though they are required to undertake purchasing duties. | (a) To identify all officers undertaking procurement, identify skills shortfalls and as such those officers requiring training,<br>(b) To continue to identify and provide improved communicative training provision of tools to ensure a consistent approach in line with Best Practice and relevant legislation,<br>(c) Encourage more 1-2-1 mentoring of procurement staff to ensure succession of skills and knowledge. | Ongoing throughout the period of the strategy.<br><br>Ongoing throughout the period of the strategy.<br><br>Ongoing throughout the period of the strategy. | H.R. / B.I.M. / B.I.O.P.P.<br><br>B.I.M. / B.I.O.P.P.<br><br>H.R. / B.I.M. / B.I.O.P.P. |
| 6.8.2 Officers benefit from electronic guidance published on the Council's intranet site.                                  | Currently guidance is limited and officers would benefit from a wider breadth of supporting information.   | (a) Review current guidance and develop further appropriate support to help officers as part of future procurements,<br>(b) Draft and publish simple flow charts linked to available procurement procedures (open; restricted; negotiated; competitive dialogues.   | December 2014.<br><br>December 2014.   | B.I.M. / B.I.O.P.P.<br><br>B.I.M. / B.I.O.P.P.  |
| 6.8.3 Micro; SMEs and Social Enterprises exist within the borough and may benefit from council contracts.                  | Limited skill sets in tendering for council opportunities.   | Work with the Enterprise Managers to understand the range of businesses and level of understanding on how to tender for local authority business.<br>Identify possible training information sharing opportunities.  | Ongoing throughout the period of the strategy.   | B.I.M. / B.I.O.P.P.   |
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#### Glossary of Terms:

B.I.O.R.I. – Business Improvement Officer (Risk & Insurance)

H.R. – Human Resources

B.I.M. – Business Improvement Manager

B.I.O.P.P. – Business Improvement Officer (Performance & Procurement)

B.D.O. – Business Development officer

P.W.G. – Procurement Working Group

H.B.I.P.C.S. – Head of Business Improvement Partnerships & Central Services

A.M. – Audit Manager

**Notes:**