



## **Procurement Strategy**

**2017-2021**

**Date: August 2017**

**Reviewed: August 2017**

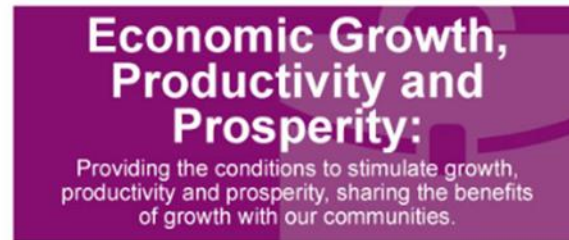
**Next Review Due: August 2018**

## Introduction

This Strategy sets out what procurement is and the procurement objectives for South Norfolk Council (SNC) which are required to assist in meeting SNC's overall vision and priorities, as laid out in the Corporate Plan. The aim of effective procurement is to ensure the Council achieves value for money with its limited financial resources and complies with statutory requirements.

## Our Vision and Priorities

Our vision is to retain and improve the quality of life and prosperity of South Norfolk, for now and future generations, to make it one of the best places to live and work in the Country. Our priorities are set out below, and are reinforced by our values: to be customer focused, collaborative and commercial in our approach to service delivery.



### How we will deliver this:

Moving Forward Together (MFT) is the Council's continuous improvement approach



## What is procurement?

Procurement is the process of obtaining works, supplies and services to enable the Council to deliver its priorities as outlined through the Corporate Plan. In procuring works, goods and services the Council continuously seeks to deliver best value and to have a transparent process which is open to scrutiny at all levels. With reducing funding, it is essential that procurement delivers value for money and efficiency savings throughout the Council.

Commercialisation is the process of delivering our existing services in new and different ways, to increase income and profit margins, improve customer experience or reduce costs. Commercialisation is undertaken in the context of the public-sector environment in which we operate. Councils face restrictions on what they can carry out as a commercial purpose, how and where they can charge for services, and in which capacity they can trade and each case should be individually judged to determine what is the best way forward.

## What are Procurement's key objectives 2017-2021?

Six key objectives seek to:

- **Simplify and improve procurement processes** through revising the Council Standing Orders and procurement documentation. SNC is and has been facing funding reductions. Procurement plays an important role in assisting teams to deliver services within this environment. By revising contract standing orders, the processes involved can be simplified and made more efficient. However, current procurement legislation is complex and is a statutory requirement, with the potential for costly legal challenges if breaches occur, and this needs to be borne in mind when revising practices. Creative solutions can, though deliver innovative contracts, which provide other value for money benefits such as revenue generation, social value, discounts and training.
- **Consider procurement options** before going out to the market to ensure the right outcome is achieved. If tendering is decided upon as the right solution, ensure that it is an attractive opportunity to the market by encouraging more SMEs to bid for opportunities through forward planning, wider advertising and market engagement. Seek to promote bid opportunities by ensuring projects are well developed and allow the market to actively engage in contract opportunities. Simplify the procurement process and contract management to assist in raising procurement standards within the public sector and encourage more suppliers to participate in contract opportunities. This approach will also assist in attracting the best contractors and maximizing value for money in delivery of the Council's priorities.
- **Support all suppliers** particularly local suppliers which are very important to supporting the local economy. Pro-actively work with local suppliers to encourage them to bid for contract opportunities within the public sector. This will be achieved by alerting them to opportunities on the Council's website in relation to the Council's contracts, encouraging them to register with the European Union advertising portal for larger contracts and the Government's national advertising portal contracts finder for lower value contract opportunities within the public sector. Positively engage with Businesses so that they understand how best to deliver bids for public sector contracts. For contract opportunities, the procurement principles of fairness, equal competition, equal treatment, proportionality and non-discrimination will be applied to suppliers.
- **Introduce formal performance indicators and contract management** on strategic contracts to ensure suppliers meet their obligations and that the Council achieves value for money. Performance indicators and contract management will cover risk, compliance, satisfaction, value for money, complaints and continued innovation. This process should feed into the next contract opportunity. With limited resource to carry out contract management, there is a requirement to maximise the benefits of this activity and therefore it is envisaged that performance indicators will be applied to any contract > £50k.
- **Provide innovative procurement solutions** within the existing Public Contracts Regulations 2015, UK law, and within the existing local government transparency and participate in future consultations on legislative changes and maintain ongoing compliance.

- **Grow the Procurement Consortium** to provide a centre of excellence across the public sector to provide strategic and professional procurement services and to lead and collaborate on procurement opportunities which will assist organisations in achieving greater value for money and reduced procurement costs.

## What are we going to do?

### Current financial year 2017/18

<b>Economic Growth, Productivity and Prosperity</b>	<b>Health, Wellbeing and Early Help</b>	<b>Place, Communities and Environment</b>
<p>Procurements to support the district-wide digital strategy for online business.</p> <p>Procurement to seek contractors to enhance broadband provision across the District.</p>	<p>Where appropriate procurement to assist in promoting Health &amp; Wellbeing in contracts using the Public Services (Social Value) Act 2012.</p> <p>Procurement advice in relation to the refurbishment works at Long Stratton Leisure Centre.</p>	<p>Procurement to ensure contracts are in place that are effective, efficient and provide value for money to:</p> <ul style="list-style-type: none"> <li>• Maintain household waste and recycling collection services.</li> <li>• Maintain the Council's transport fleet safely for tyres, vehicle spares.</li> <li>• Maintain the Council's tree surveys and surgery services for the community assets team.</li> </ul>
<b>Moving Forward Together</b>		
<p>Procurement for the following contracts which provide services and supplies across the organisation:</p> <ul style="list-style-type: none"> <li>• Cash Collection</li> <li>• Legionella</li> <li>• Cleaning Services and supplies</li> <li>• Health and Safety services</li> </ul> <p>Specifically, we will:</p> <ul style="list-style-type: none"> <li>• Update on a quarterly basis the Council's contract register and forward plan which contain details of current contracts which exist or forthcoming procurements to alert potential contracts of future opportunities.</li> <li>• Review Contract Standing Orders.</li> </ul> <p>More generally we will look to:</p> <ul style="list-style-type: none"> <li>• Ensure the Council achieves best value through effective and efficient procurement and to ensure procurement processes are compliant with the Public Contract Regulations 2015, UK law and the Council's Constitution.</li> <li>• Provide support to Businesses through pro-actively encouraging them to access Council procurement activities and embedding the</li> </ul>		

importance of social value in procurement. Working with businesses to 'de-mystify' how to bid for public sector contracts.

- Actively promote how to do business with the Council in the link magazine.
- Lead the procurement consortium, actively seeking opportunities for new partners to join the service and / or to provide advice and guidance to other partners in order to generate income for all participating Councils.
- Ensure the Council's resources are managed effectively and provide value for money, reducing the risk to the Council's reputation and procurement challenge.

### **Medium/Longer Term Activities – to be delivered over duration of the strategy**

- To provide procurement information in real time for Local Government Transparency Code
- To provide procurement services to suppliers to assist in winning more public sector opportunities
- To use technology to automate evaluation of appropriate elements of bid submissions
- To maximize the benefits of Social Value in contract opportunities for the community
- To continuously improve procurement processes

### **How will we measure our success?**

- By improving and making procurement processes simpler through revising Standing Orders and procurement documentation, increase the number of participants per contract opportunity for the supply of Works, Service and Supplies based on traditional procurement processes.
- By recording the number of alternative options considered before commencing a particular procurement process.
- By monitoring the benefits of corporate social responsibility provided to the community within contracts and equate these into £s.
- By measuring and monitoring key performance indicators within contracts > £50k and utilise this information to develop and enhance performance, ensuring continuous improvement throughout the life of the contract.
- By increasing the number of local authorities and other public bodies who join the Procurement Consortium.