

BABERGH DISTRICT COUNCIL

FROM: Procurement Task Group

REPORT NUMBER **G210**

TO: STRATEGY COMMITTEE

DATE OF MEETING 6 March 2008

STRATEGIC PROCUREMENT FRAMEWORK

1. **PURPOSE OF REPORT**

- 1.1 To adopt a new Strategic Procurement Framework that will guide and support the Council's approach to partnerships, shared services, joint procurement and other procurement activities for the next 3-4 years.

2. **RECOMMENDATIONS**

- 2.1 That the Strategic Procurement Framework attached at Appendix B be adopted.
- 2.2 That the Procurement Task Group develops appropriate actions to take forward key elements of the framework and monitors progress, reporting back to the Overview & Scrutiny (Stewardship) Committee on this during 2008/09.

The Committee is asked to make the above recommendations to Council.

3. **FINANCIAL IMPLICATIONS**

- 3.1 One of the key aims of the framework will be to provide a platform for delivering further savings and efficiencies through shared services, joint procurement and partnering. The Task Group will develop appropriate plans and targets that will contribute to the budget and efficiency savings that the Council needs to achieve.
- 3.2 Any proposals resulting from the framework to invest in specific procurement activities to achieve the outcomes set out will be subject to the Council's normal service and financial planning arrangements.

4. **RISK MANAGEMENT**

- 4.1 This report is most closely linked with the Council's Significant Business Risk Nos. 2 and 8 - Shared Services & the Comprehensive Spending Review. Key risks are set out below:

Risk Description	Likelihood	Seriousness or Impact	Mitigation Measures
Shared Services and partnerships not sufficiently developed	Significant	Critical	Countywide Service Integration Group working on establishing key areas where partnerships should be progressed.
Other procurement arrangements are not effective and do not deliver service improvements and/or increased value for money	Significant	Critical	New approaches to and processes for procurement have been established as a result of the current Procurement Strategy. Platform established to embed arrangements further through the new Strategic Framework and Action Plans.

5. **KEY INFORMATION**

- 5.1 The Strategy Committee considered the key issues (Paper G134, November 2007) relating to the Council's current and future approach to procurement and how this can be used to further achieve the Council's aims and priorities.
- 5.2 The Task Group believe that there have been some notable successes on the procurement front since the Council's first Procurement Strategy was adopted in 2004. Some of these are summarised in Appendix A. It also recognises that more needs to be done to embed effective procurement throughout the council and build on what has been achieved so far. The Framework will be an important step towards this.
- 5.3 The Committee broadly supported the suggestions in Paper G134 in relation to procurement aims and priorities for the next 3-4 years. Based on this, the Task Group is proposing the following 3 key aims and priorities for the Council's future strategic framework for procurement, which are summarised below:

Aim	Priorities
Achieving Value for Money, savings and efficiencies	Ensure that procurement opportunities and outcomes contribute towards the council's annual savings and efficiency targets and deliver Value for Money through the use of partnerships, joint working and shared services.
Supporting the local economy as far as possible when undertaking procurement	Ensure that procurement decisions are made based on balanced decisions of cost versus support to the local economy and the use of local suppliers wherever possible
Sustainability – environmental, economic and social	Ensure that approaches to procurement support and influence the council's economic, environmental and social sustainability aims and policies, linked to the aim of the Suffolk Strategic Partnership relating to the 'Greenest County'.

5.4 The Task Group has now developed a framework that addresses these and other aspects of procurement and this is attached at Appendix B.

5.5 Further work is needed by the Task Group to develop the various aspects of the framework, the main areas being:

- New Contract Procedure Rules to streamline and modernise tendering and contract award processes
- A Procurement Code of Practice to govern the Council's approach to procurement, including the required operational arrangements throughout the organisation
- Action Plans and targets to ensure we achieve as many savings and efficiencies as possible from our procurement activities
- Further increase collaboration and joint working with others to achieve more joint procurement activity
- Trying to develop approaches to procurement that will further support the local economy and the opportunities for local suppliers to bid for contracts, within legal constraints
- How procurement can embrace sustainability issues.

6. **APPENDICES**

A – Procurement Activity and progress

B – Strategic Procurement Framework 2008 –2011

7. **BACKGROUND PAPERS REFERRED TO**

None.

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APPENDIX A

PROCUREMENT ACTIVITY AND PROGRESS SINCE 2004

ACTIVITY	OUTCOME(S)
MAJOR CONTRACTS	
Waste Management, procured in partnership with Mid-Suffolk DC	<ul style="list-style-type: none"> • Savings of c.£160K per annum over a minimum of 7 years. More to follow once joint depot secured • Mechanism for investment by supplier and ongoing service improvements
Corrective Maintenance (HRA)	<ul style="list-style-type: none"> • Savings of c.£40K per annum • Retention of existing local contractor via OJEU-compliant process
Open Spaces Contract	<ul style="list-style-type: none"> • Contract re-packaged to enable easier monitoring and management • Long-term contract established with clear performance measurements
JOINT WORKING	
Banking Services	<ul style="list-style-type: none"> • Consortium of 4 local authorities working in partnership, sharing resource • Savings of c.17% on annual costs
Private Water Testing	<ul style="list-style-type: none"> • Savings of c. £1200 per annum • Appointment of same contractor as partners FHDC and SEBC
FRAMEWORK CONTRACTS	
Computer Consumables	<ul style="list-style-type: none"> • Switch to framework contract via CBC • Cost and process savings of approx £5K
Office Paper	<ul style="list-style-type: none"> • Switch to framework contract via DfT • Cost savings of c.15% and access to approved re-cycled products
LIAISON WITH REGIONAL CENTRE OF EXCELLENCE	
Postal Services	<ul style="list-style-type: none"> • Joint Suffolk-wide tender using OGC framework contract • Ongoing county-wide co-operation on contract management
Supplier Spend Analysis / Contracts Register	<ul style="list-style-type: none"> • Improved knowledge and better identification of potential opportunities
INTERNAL PROCESSES	
E-procurement	<ul style="list-style-type: none"> • Trialling and implementation of new system underway via Agresso
Contracts Procedure Rules	<ul style="list-style-type: none"> • Updated draft version ready for approval and adoption • Will bring BDC closer to neighbours and allow for easier collaboration



2004-2005
Supporting People
2006-2007
Waste and Recycling
2006-2007
*Culture and Sport for
Hard to Reach Groups*

Draft Procurement Strategy & Framework 2008-2011

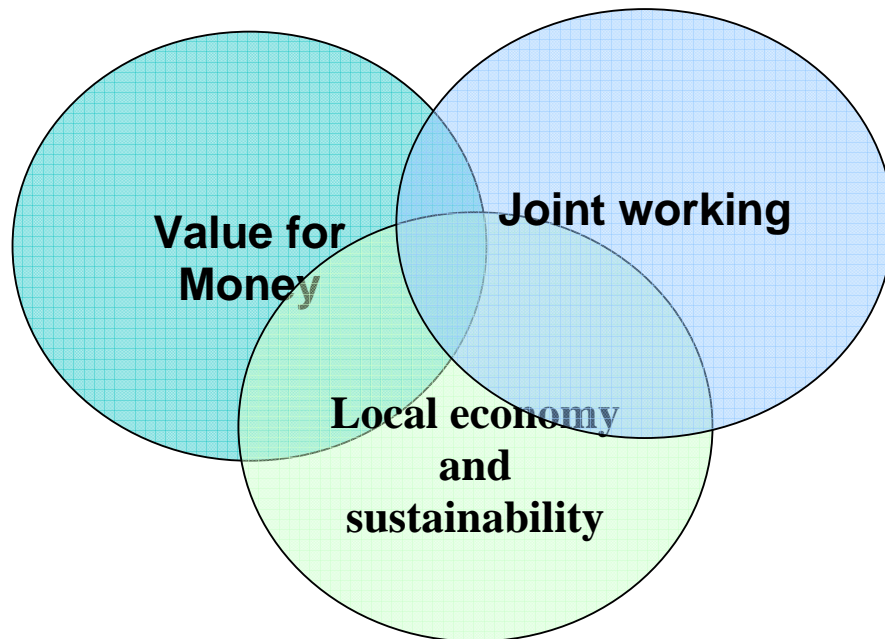


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1. Executive Summary

- 1.1 A review of the Council's Corporate Procurement Strategy (approved in 2004) has been undertaken in order to establish a clear future strategic direction and priorities for the next four years.
- 1.2 Babergh spends around £12M a year on procuring goods and services of a capital and revenue nature. Capital projects typically account for around £4.5M of this (of which, about 70% is Council Housing). In addition, in-house staffing costs amount to around £9M per annum.
- 1.3 The Council's current Corporate Procurement Strategy states the following and this key statement remains valid:

"Implementing the Strategy will require political and managerial leadership and a continuing development of the Council's culture in challenging existing methods of service delivery in relation to investigating new opportunities to provide improved services through partnerships and joint commissioning of goods and services."

- 1.4 The overall aim of the updated strategy is to set a clear framework for procurement throughout the council that reflects the council's corporate aims and priorities and provides value for money. This aim will be achieved through specific aims and goals for procurement and an action plan that will further embed a corporate approach to procurement activity that will:
 - Ensure that procurement opportunities and outcomes contribute towards the council's annual savings and efficiency targets and deliver Value for Money through the use of partnerships, joint working and shared services
 - Ensure that procurement decisions are made based on balanced decisions of cost versus support to the local economy and the use of local suppliers wherever possible
 - Ensure that approaches to procurement support and influence the council's economic, environmental and social sustainability aims and policies, linked to the aim of the Suffolk Strategic Partnership relating to the 'Greenest County'.
- 1.5 Actions to achieve these goals are set out in the strategy, including the processes that are needed throughout the council to support effective procurement. Key examples of these are summarised below:
 - Increased collaboration, joint working, partnerships and shared services, developing new ways of working and repackaging services/contracts to deliver better value for money
 - Clear governance arrangements, with Member involvement in strategic procurement decisions

- Ensure Contract Procedure Rules, supplier selection, tendering and contract award processes support the local economy
 - Strengthen and embed corporate procurement processes through a Procurement Code of Practice
 - Promote equality of opportunity and sustainability in making procurement decisions
 - Use of electronic means to ensure procurement operations are effective and efficient.
- 1.6 Consultation has taken place with the Chambers of Commerce and Federation of Small Businesses and their views are reflected in the strategy as appropriate.

2. Introduction – what is procurement?

2.1 According to the National Procurement Strategy: -

'Procurement is the process of acquiring goods, works and services, covering both acquisition from third parties and from in-house providers. The process spans the whole life cycle from identification of needs, through to the end of a services contract or the end of the useful life of an asset. It involves options appraisal and the critical 'make or buy' decision.'

2.2 Everything the Council uses in the provision of services to the public e.g. people (staff and external advisors), assets, systems are all “procured”. It is essential that this is done effectively, in line with current and emerging best practice nationally and regionally.

2.3 Better procurement can make a significant contribution to the council's corporate aims and priorities in achieving better Value for Money for residents and Council Taxpayers.

3. Background

3.1 Babergh adopted its first formal Procurement Strategy in 2004, which covered the period 2004-2007. This was produced in response to the Government's National Procurement Strategy (NPS) for Local Government that was published in 2003.

3.2 The Procurement landscape, nationally, regionally and locally has undergone some significant changes since 2004:

National/Regional

- The continued and growing emphasis on shared services and partnership working. Babergh is committed to partnership working, shared services and collaboration
- The Regional Centres of Excellence are established (being replaced by Regional improvement and efficiency partnerships) and are leading on a number of efficiency and procurement matters – Babergh has and will continue to actively engage with these.
- The importance and prominence of the various public sector PBOs (Professional Buying Organisations) continues to grow with regard to the purchasing of Goods and Commodities – Babergh has reviewed and consolidated its use of these.

Locally

- Babergh has been one of the first councils to enter into construction partnering contracts and has implemented joint procurement arrangements for some service delivery contracts.
- The organisational restructuring in 2006 provides the basis for more effective and efficient procurement throughout the council. Procurement

arrangements are now operated in the Contract and Asset Management Division, which includes a dedicated Procurement and Contracts Officer.

- 3.3 In terms of shared services, a Countywide Suffolk Integration Group, involving representatives of all local authorities in Suffolk, is seeking to develop areas where these can be implemented. Early work has identified potential areas that could be implemented in the short to medium-term i.e. over the life of this Procurement Strategy.

4. Benefits - Why Procurement matters

- 4.1 A strategic framework that is understood and sets out a clear approach to effective procurement is vital to success in that this will:

- Deliver better, more cost-effective services to local residents and taxpayers.
- Contribute towards the achievement of savings and Value for Money
- Improve how services are bought and managed
- Ensure that various options for service provision/delivery are considered and the most appropriate and effective decisions are made
- Deliver the requirements of the Comprehensive Area Assessment (CAA) on commissioning and procurement capabilities
- Support the local economy and small businesses and contribute towards sustainability
- Simplify tendering and contract award processes for suppliers and contractors

- 4.2 To achieve the above, the framework aims to further embed procurement in the council's culture and use it as a key enabler in helping to deliver the council's corporate aims and priorities.

5. A New Strategic Framework

- 5.1 This revised framework incorporates lessons learnt in the last 3 years and is a stock-take of where we are and what more remains to be done to achieve further benefits from effective procurement. The procurement culture has undoubtedly changed within the Council - but more still needs to be done to embed effective procurement throughout the council.

- 5.2 Key areas for action are set out relating to a range of procurement activities. Detailed mechanisms and procedures will be developed, updated and amended to meet current and changing needs over time by Members and officers. Member approval will be sought for any major changes to the strategic framework and policies as necessary.

- 5.3 The framework sets out what is required to improve procurement further throughout the Council and it covers the following:

- A vision for procurement
- The scale of procurement activity
- Purpose and aims (including key procurement aims and goals to support the council's corporate aims and priorities and deliver value for money)
- Risk Management
- Overall Framework; Roles and Responsibilities
- Strategic and Routine Procurement
- Sustainability issues
- Local Economy
- Governance, implementation and monitoring arrangements
- Procurement Spend Analysis 2006/07 (Appendix 1)
- Actions to deliver the objectives and goals (Appendix 2)

6. A Vision for Procurement at Babergh

- 6.1 Procurement needs to be seen in the context of the Council's overall aims and priorities and it should be measured as much by the community benefits that result, as by the financial gains. The Council's overall "Vision" is:

"A district where strong and inclusive communities are built on active citizenship and where all citizens have the opportunity to develop to their full potential."

- 6.2 Our Vision for Procurement is:

"To achieve the best possible value for money through intelligent and sustainable procurement, using it to deliver improved services and efficiencies for the benefit of our residents and local economy."

7. Scale of Procurement Activity

- 7.1 Babergh is a relatively small council and will look to collaboration and aggregation of spend with other councils to achieve economies of scale and increase buying power.
- 7.2 Babergh's annual procurement expenditure and staffing costs is around £21M, of which approximately £5M relates to Council Housing. The following table shows a high-level summary of the key elements. Further details, based on actual expenditure in 2006/07 are given in Appendix 1:

	Revenue Expenditure		Capital Expenditure	Total
	Staff £M	Goods / Services £M	£M	£M
General Fund	7	5.5*	1.1	13.6
Council Housing	2	2	3.4	7.4
Total	9	7.5	4.5	21

*£2.5M relates to major long-term contracts e.g. waste collection and open spaces, which have already been reviewed

7.3 Although equal attention needs to be given to both capital and revenue expenditure, the main focus should be on achieving savings, efficiencies and value for money on revenue expenditure to help with both the General Fund and Council Housing budget pressures.

7.4 The Government's 3% per annum efficiency savings target equates to around £450,000 per annum and procurement is expected to make as big a contribution as possible towards this.

8. Purpose and Aims of the Strategy

8.1 The key aims and specific goals will support the delivery of the strategy:

- Ensure that procurement opportunities and outcomes contribute towards the council's annual savings and efficiency targets and deliver Value for Money through the use of partnerships, joint working and shared services
- Ensure that procurement decisions are made based on balanced decisions of cost versus support to the local economy and the use of local suppliers wherever possible
- Ensure that approaches to procurement support and influence the council's economic, environmental and social sustainability aims and policies, linked to the aim of the Suffolk Strategic Partnership relating to the 'Greenest County'.

8.2 In addition to the above, the Council will also ensure that:

- All of the Council's procurement of works, goods and services complies with relevant legislations and standards
- All of the Council's procurement is consistent, fair, open, ethical and transparent

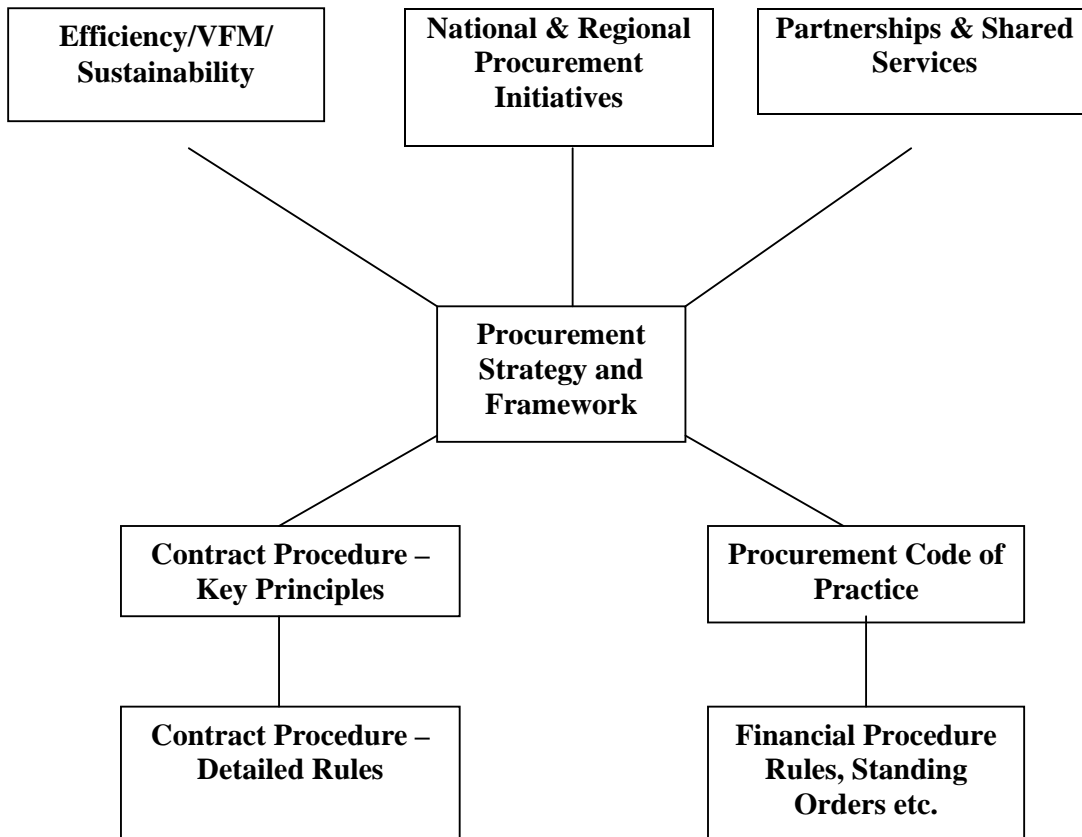
- All procurement undertakings have considered the wider issues such as, whole-life costs, risk, and its overall contribution to the community
 - Maximise the opportunity for partnership working and collaboration.
- 8.3 Appendix 2 brings these aims and goals together and provides an overview of the actions that will be undertaken to deliver the desired outcomes. The Procurement Task Group and Officers will produce detailed action plans in relation to these.

9. Risk Management

- 9.1 All strategic procurements will identify risks and opportunities at the outset and these will be reviewed and updated during the procurement cycle and in line with the Council's Risk Management Strategy.
- 9.2 The type of risks that may need consideration include:
- Financial
 - Service Failure or Poor Service Delivery
 - Customer satisfaction
 - Contract awards and best value
- 9.3 Risks identified will be reported to Members and senior management and action plans drawn up to manage the risks as appropriate.

10. The Overall Framework for Procurement

- 10.1 A clear and effective Framework for Procurement is needed that underpins the strategy. This needs to be both comprehensive and, at the same time, flexible enough to meet changing circumstances and demands.
- 10.2 One important aspect of this is to ensure Contract Procedure Principles set out the key guiding principles that govern procurement, whilst incorporating sufficient flexibility to support officers in undertaking day-to-day procurement in an effective and efficient way.
- 10.3 Equally importantly, the framework would benefit from a Procurement Code of Practice that clearly sets out and governs Procurement behaviour throughout the council.
- 10.4 Based on the above, an overall framework for procurement, with linkages to other key areas of the council's planning processes and policies, is outlined below:



11. Roles and Responsibilities

11.1 Responsibility for implementation and monitoring of the strategy is as follows:

- **Members** – The Efficiencies and Procurement Champion and Procurement Task Group will develop, monitor and review strategy and actions/progress. The Overview & Scrutiny Committees will receive periodic reports from the Procurement Task Group on progress. Strategy Committee considers and approves strategic procurement options and decisions and changes to overall framework/governance arrangements e.g. Contract Procedure Rules
- **Officers** – Corporate Management Team Lead/Head of Finance manages corporate strategy in conjunction with the Head of Contracts and Asset Management, who is responsible for operational delivery. In addition, all Service Heads are required to adhere to and promote the strategy both corporately and in their own service areas
- Day to day delivery is the responsibility of service managers and the Procurement Team in the Contracts & Asset Management Division, supported by the Joint Procurement Officer

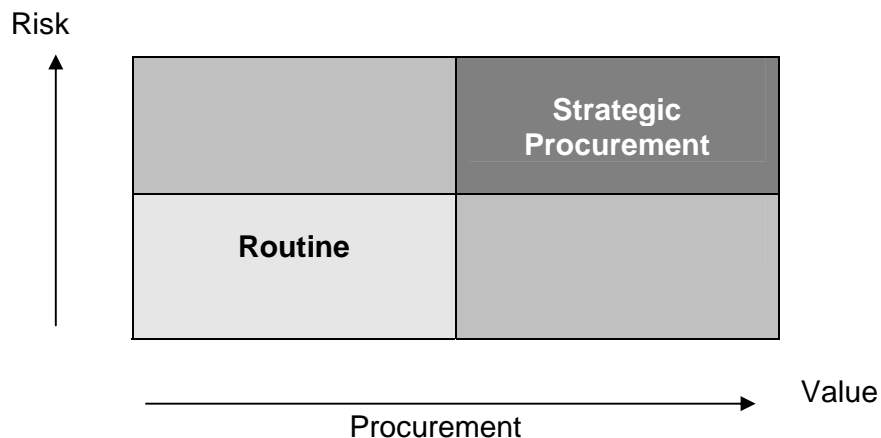
11.2 Heads of Service will be required to draw up plans to identify and deliver savings and other benefits from procurement activity in their own areas of responsibility.

12. Strategic Procurement

12.1 A number of procurements will be key to the achievement of the Council's corporate aims and priorities. They are likely to be characterised by high profile, long-term, high value contracts, potentially involving partnership working and/or sensitive issues. A clear approach will be needed to these, particularly given the potential changes that could result from Local Government Review in Suffolk.

12.2 It is crucial that Members and officers are clear on the approach and governance arrangements that should be applied to procurement activity that is classified as strategic. This will be an evolving situation, especially in relation to the Local Government Review situation, but will cover the following:

- Major high value, higher risk projects (capital and revenue) and contracts for service provision and improvement
- Significant Partnerships and Countywide Shared Service proposals,
- Opportunities for partnerships and shared services between 2 or more councils should a countywide option not be possible
- Partnerships across County boundaries eg Haven Gateway
- Regional partnership opportunities.
- Partnering for construction-related projects



12.3 The general approach to be adopted in relation to these, based on the Government's National Procurement Strategy and IdeA/4 P's guidance, is summarised below:

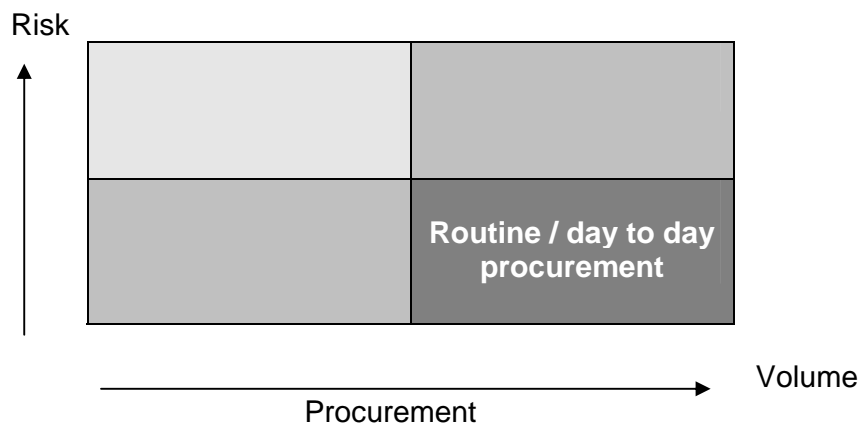
- Define Service Need
- Option Appraisal and Business Case Assessment
- Define/Agree Procurement approach
- Procurement decision
- Award and Implement Contract
- Manage and report on benefits and performance

12.4 To support the above, a forward plan, based on the work on Shared Services and future contract renewal dates will be produced and published so that both the Council and suppliers/contractors are aware of our medium-term procurement intentions.

12.5 All strategic procurements must consider packaging, partnering, public/private partnerships, outsourcing and in-house provision. In doing so, the Council will continue to operate a 'mixed economy' that best suits public needs and delivers value for money. No preference will be given to any one mode of procurement.

13. Routine Procurement

13.1 This relates to the purchase of commodities, goods and services with relatively low risk but high volume items that account for a significant proportion of the Council's day-to-day expenditure.



13.2 We will aim to use national and/or regional Purchasing Organisations for all routine procurement e.g. the OGC (Office for Government Commerce), CBC (Central Buying Consortium), ESPO (Eastern Shires Purchasing Organisation). Key aspects of the Council's strategy relating to this are:

- Aggregation of purchasing with other organisations to maximise buying power and achieve better value for money
- Clear and up to date systems, procedures and practices to enable effective procurement activity
- Use of e-technology to manage the procure-to-pay process and ensure systems and procedures are regularly reviewed to achieve efficiency savings

- Use of purchasing cards for certain low-value and/or recurring expenditure.

13.3 Detailed plans relating to the above will be drawn up and implemented as appropriate, with bids for any additional investment being submitted through the annual Service & Financial Planning Process

14. Sustainability

14.1 The Council has a strong commitment to sustainable procurement. For the purpose of this strategy, sustainable procurement covers: -

- **Environmental Sustainability** - Procurement activities can have a considerable impact on natural resources and to ensure that this is minimised the Council will integrate environmental considerations into its procurement and purchasing policies and procedures.

The Council will meet environmental legislation as a minimum as well as meet its own, high standards and objectives in its procurement activity. In undertaking procurement, the Council will look to minimise the effect that purchasing and procurement has on the environment, climate change and achieve carbon reduction.

This will specifically include the protection of natural resources including the conservation of energy, water, wood, paper and other resources, particularly those that are scarce or non renewable.

- **Economic Sustainability** - The Council acknowledges the value of a diverse and competitive supply market. In its procurement, the Council will encourage the potential of the local business community that employ local labour.

Although the council is constrained by both national and European rules in how it procures, it will monitor spend on locally supplied goods & services, adhere to the Government's 'Small Business Friendly Concordat', give appropriate consideration to the impact on local suppliers when procuring major contracts and services and encourage the use of local suppliers in the supply chain.

- **Social Sustainability (Social Inclusion and Ethics)**

The Council will ensure that nationally accepted social considerations are taken in to account in the way that we procure as well as considering the impact of what we procure has on the community - equalities, vulnerable persons and health and safety:

- **Equalities** - The Council is committed to equal opportunities for all, regardless of race, colour, religion, ethnicity, gender, family status, sexuality, disability or age. The Council will promote

equalities in the procurement of goods, works and services. The Council will offer equal opportunities in contract selection to businesses owned by all members of the business community.

- Vulnerable persons – We will ensure that we undertake all required Criminal Records Bureau checks.
- Health and Safety - The Council recognises that under both statute and common law it has a duty to protect its workforce from health risks and personal injury and to conduct all undertakings in such a way as to ensure that members of the public around or entering their premises are likewise protected. All Contract Officers must carry out a vetting process of all work activities that are likely to involve all contractors working on Council premises and providing services on behalf of Babergh District Council.

14.2 The above must be considered as appropriate when both strategic and routine procurement is undertaken. Officers must consider sustainability ('green') issues when undertaking routine procurement. This involves weighing up social and community impacts as well as environmental issues.

14.3 Further work will be done on how decisions can be made in weighing up price and sustainability. We will monitor and measure our sustainability against any current or future government targets.

14.4 Strategic Procurement Business Cases must address sustainability and identify the scope to improve environmental, economic and social impacts.

14.5 The Council will look to support the purchase of 'Fairtrade' products, both in its own procurement and by those it works with and uses to provide goods and services and that undertake contracts for the Council.

15. Local Economy

15.1 Supporting the local economy is a key aim of the council's procurement strategy and processes.

15.2 Babergh has a good track record in utilising local suppliers and contractors and the proportion of spend in the District and/or the County area. It is important that this is maintained and, where possible, further opportunities given to bid for work. However, a balance between cost and service delivery, as well as legal constraints, will always be needed.

15.3 The council will, therefore:

- Work with the Chambers of Commerce, Councils and other organisations to promote bidding opportunities
- Advertise contracts on appropriate websites
- Consider the issue of local suppliers and cost on an activity by activity and case by case basis

- Encourage local suppliers and contractors to work together to bid for contracts on a consortia basis where this is practical
- Award contracts on best value principles not just cost.

16. Governance, Implementation and Monitoring

- 16.1 Ownership and monitoring of this framework and strategy is the direct responsibility of the Head of Finance.
- 16.2 All Heads of Service and their staff will adopt the principles therein for use within their own service area – this is particularly relevant to the Contract and Asset Management service, which is responsible for the bulk of day-to-day Procurement activity within the Council.
- 16.3 For governance and monitoring purposes, ensuring adherence to the strategy is the responsibility of those Members serving on the Procurement Task Group, which includes the council's Efficiencies & Procurement Member Champion. The Task Group will also communicate procurement activities to Members and key stakeholders.
- 16.4 In addition, it is proposed that a small officer Procurement Steering/Working Group made up of key senior staff and the Member Champion is established.
- 16.5 The roles of the Procurement Task Group and the Officer Group will include the following:
- Develop, monitor and report on actions in relation to the Strategic Procurement Framework
 - Propose targets and KPI's for procurement activity, including savings
 - Monitor and review ongoing issues relating to developing procurement activities and arrangements
 - Oversee major strategic procurements.
- 16.6 The Procurement Code of Practice will clearly set out officer roles and responsibilities and other key arrangements relating to risk and contract management.

Detailed Procurement Full Year Analysis for 2006/07

Commodity/Service	GF	HRA	Capital	Total
-	£000	£000	£000	£000
Advertising	47	0	0	47
Agency Staff	52	0	0	52
Books & Periodicals	27	0	0	27
Catering	21	0	0	21
Cleaning	53	15	0	68
Communication (telephones)	52	9	6	67
Contracted Services	209	20	0	229
Electricity	57	66	1	124
Equipment & Tools	23	33	105	161
Gas	12	54	3	69
IT equipment / consumables	9	0	199	208
Insurance	375	31	0	406
Lease Cars	155	1	0	156
Legal	150	5	0	156
IT Licences	167	0	144	310
Maintenance Contracts	52	0	0	52
Major Contracts	0	269	2,241	2,509
Misc Purchases	104	11	45	159
Office Fixtures & Fittings	10	12	11	32
Oil	1	23	0	23
Painting Contract	0	316	0	316
Postage	128	3	0	131
Printing	11	0	0	11
Professional / Consultancy	219	3	119	340
Promotion & Publicity	26	0	0	26
Recruitment	78	5	0	83
Repairs Contracts	225	1,139	1,392	2,756
Revenue Contracts	2,360	205	0	2,565
Stationery	45	4	0	49
Training	83	1	8	92
Total	4,748	2,226	4,274	11,248

Procurement Strategy – Key aims, goals and actions

Aims / Goals	Key themes/enablers	Actions- The Council will:
<p>Achieve Savings and Efficiencies; Improve Value for Money</p>	<p>• Partnerships, Shared Services & Collaborative working</p>	<ul style="list-style-type: none"> ➤ Fully embrace the Shared Services, partnership and joint working culture at Member and Officer level. ➤ Actively lead and contribute to investigating Shared Services and joint procurement opportunities, repackaging and combining services where appropriate ➤ Pursue further partnering opportunities on construction-related contracts
	<p>• E- procurement/processes</p>	<ul style="list-style-type: none"> ➤ Use e-technology to ensure that processes operate efficiently both internally and with suppliers/contractors ➤ Use procurement cards for low value, high volume transactions ➤ Reduce transaction volumes and make the procure-to-pay cycle as efficient as possible
	<p>• Consortia/Approved Suppliers</p>	<ul style="list-style-type: none"> ➤ Seek to purchase all Goods and Commodities via PBOs (Professional Buying Organisations) or regional buying consortia ➤ Use only approved suppliers and avoid off-contract spend
	<p>• Developing Skills & Capacity</p>	<ul style="list-style-type: none"> ➤ Increase Member and officer skills, knowledge and awareness through appropriate training and advice ➤ Ensure the Procurement function and the Joint Procurement Officer exerts influence over all procurement activity

	<ul style="list-style-type: none"> • Governance and Scrutiny 	<ul style="list-style-type: none"> ➤ Through the Member Procurement Task Group and Officer Steering/Working Group, monitor and review procurement plans and activity ➤ Embed key procurement disciplines through Contract Procedure Rules and a Procurement Code of Practice ➤ Adopt clear option appraisal and business case approaches in making strategic procurement decisions ➤ Ensure that a forward plan of all renewable (and any other appropriate) contracts exists to enable the timely consideration of procurement options ➤ Apply best value criteria, not lowest price, in awarding contracts ➤ Undertake appropriate market testing for services and contracts ➤ Communicate procurement activity to Members and other key stakeholders via appropriate channels including websites
Support the Local Economy	<ul style="list-style-type: none"> • Small Business Friendly Concordat 	<ul style="list-style-type: none"> ➤ Ensure that all sectors of the economy are considered when undertaking Procurement, including SME's and local contractors/suppliers ➤ Widely advertise procurement opportunities, including on appropriate websites ➤ Update 'Selling to the Council' guide
	<ul style="list-style-type: none"> • Consortia/Approved Suppliers 	<ul style="list-style-type: none"> ➤ Liaise with local suppliers and contractors through the chambers of Commerce and other means to promote bidding/consortia approaches ➤ Encourage prime contractors to form consortia with SMEs and Third Sector Organisations when bidding for large jobs. Encourage prime contractors to include smaller organisations in their supply chain

	<ul style="list-style-type: none"> • Governance and Scrutiny 	<ul style="list-style-type: none"> ➤ Take opportunities to liaise with the local business sector, e.g. through Business Link, “Meet the Buyers” events etc. ➤ Will monitor spend on locally supplied goods & services, adhere to the Government’s ‘Small Business Friendly Concordat’, give appropriate consideration to the impact on local suppliers when procuring major contracts and services
Sustainability	<ul style="list-style-type: none"> • The Environment 	<ul style="list-style-type: none"> ➤ Ensure that sustainability is a factor considered in all Procurement decision-making ➤ Consider procurement options that reduce climate change and achieve carbon reductions ➤ Adopt "Green" Purchasing policies and actively endorse procurement of 'Fairtrade' products ➤ Only deal with contractors and suppliers who can demonstrate positive practice in relation to environmental management
	<ul style="list-style-type: none"> • Economic/Social 	<ul style="list-style-type: none"> ➤ Promote equalities in the procurement of goods, works and services ➤ Ensure equal opportunities in contract selection to businesses owned by all members of the business community ➤ Encourage the potential of the local business community that employ local labour ➤ Protect vulnerable persons and undertake rigorous healthy and safety checks when using contractors