

BROADLAND DISTRICT COUNCIL PROCUREMENT STRATEGY 2017-2021

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1 INTRODUCTION

- 1.1 This Procurement Strategy sets out Broadland District Council's aims and objectives for procurement to support the Council's vision for a strong and vibrant Broadland. The Strategy builds upon the success of the Council's previous Procurement Strategies adopted by the Council since 2001.

2 BROADLAND'S VISION AND AMBITIONS

- 2.1 Our vision is for a strong and vibrant Broadland aimed at delivering more jobs, more homes and more opportunities.

Our key ambitions to achieve this are:

- To deliver economic success in our area
- To plan and provide well housed communities
- To achieve environmental excellence in everything we do
- To increase levels of health and wellbeing
- To keep people safe and secure
- To continue to provide high quality, value for money services on our own or as a trusted partner

3 WHAT IS PROCUREMENT?

- 3.1 Procurement is the process of acquiring goods, works and services to enable the Council to meet its statutory duties and deliver its priorities as set out in the Council's Business Plan. In undertaking its procurement the Council will seek to deliver best value which is becoming even more important in the current economic climate of reduced funding from central Government. This will include the use of aggregated/consortia and shared procurement to gain maximum mutual advantages. The Council remains committed to having transparent processes which are open to scrutiny.

- 3.2 The Council does not have a nominated procurement officer or procurement team as found in all other Norfolk councils. Heads of Service are expected to manage their procurement as part of their duties and responsibilities. An Officer Procurement Group has been established comprising the Deputy Chief Executive, Head of Corporate Resources, Head of Finance and Revenue Services, Head of Democratic Services and Monitoring Officer and

the Environmental Protection Manager.

3.3 The Council publishes and maintains a contracts register which can be found at https://www.broadland.gov.uk/downloads/download/185/contracts_schedule

3.4 In compliance with the Code of Recommended Practice on Data Transparency, the Council publishes all expenditure over prescribed levels which can be found at https://www.broadland.gov.uk/info/200197/transparency/339/council_spending_over_250

4 PROCUREMENT PRINCIPLES

4.1 The Council's guiding principles for procurement are well established and are as follows:

'The Council will

- (1) base all procurement activities upon the principles of Best Value and will therefore continue with mixed service provision in the interests of efficiency, effectiveness and value for money on the understanding that a bidder's ability to meet equality requirements will be a key part of any procurement process.
- (2) take a long term strategic view of procurement, in order to promote innovation in funding and provision.
- (3) use aggregated/consortium approaches to procurement where appropriate.
- (4) seek to rationalise its existing supplier base in order to promote economies of scale, subject to the need to meet customer requirements, balance risk and maintain competitiveness.
- (5) promote procurement based upon a partnering approach, in order to gain maximum mutual advantage in continuous improvement in service provision.
- (6) where appropriate, seek advice from the market concerning funding, capacity, method and innovation and, where possible, use its position to influence the development of markets.
- (7) develop and encourage a philosophy of openness and transparency in relation to procurement, in order to raise awareness, develop skills and promote consultation between employees, stakeholders, partners and suppliers.

- (8) include sustainability (particularly the use of local suppliers) as an important criterion in procurement, providing that the cost or availability does not prejudice service delivery.
- (9) operate a package of e-procurement solutions, to optimise efficiency of processes.
- (10) make arrangements to ensure that all contracts are adequately managed and monitored with a view to achieving completion of service delivery on time, within budget, and in accordance with the specification.
- (11) ensure that all major procurement recognises the impact on the social, economic and environmental wellbeing of the District.'

5 HOW PROCUREMENT CONTRIBUTES TO THE ACHIEVEMENT OF THE COUNCIL'S VISIONS AND AMBITIONS

- 5.1 The Council's Procurement Strategy is driven by procurement principles which underpin the Strategy and which relate directly to the Business Plan and the Council's vision and ambitions.
- 5.2 The Broadland Business Plan brings together a number of ambitions to which strategic objectives are linked. The Procurement Strategy is driven by procurement principles which underpin the Strategy and which relate to the Council's vision and ambitions.

6 PROCUREMENT OBJECTIVES 2017-21

- 6.1 The key objectives for the Strategy period will be:
 - **Review and improve current processes** by reviewing the current financial procedure rules and associated documentation. Along with all other local authorities the Council needs to adapt to face current and future funding reductions. Procurement has a vital role to play in ensuring the Council makes the best use of its resources. Reviewing current processes and procedures hopes to simplify current processes and drive out efficiencies. However caution needs to be exercised in view of the complexity of procurement legislation and statutory requirements which have the potential for costly legal challenges if breaches are found. nplaw will be consulted to ensure that the Council meets its legal obligations. The Council will explore the availability of creative opportunities through the delivery of innovative contracts, which may provide other value for money benefits such as social value, discounts, training and revenue generation.

- **Consider procurement options** before going out to the market to ensure the right outcome is achieved. If the formal tendering route is the preferred solution the Council will ensure that it is an attractive opportunity to the market by encouraging small and medium enterprises to bid through forward planning, engagement and advertising. By simplifying processes and contract management more suppliers may come forward which will increase the market raising procurement standards. This approach is also considered to result in attracting the best contractors and maximising value for money in the delivery of the Council's priorities.
- **Support all suppliers** particularly local suppliers which are vitally important to supporting the local economy which the Council wishes to see grow. The Council will proactively work with local suppliers to encourage them to bid for contract opportunities. This will be achieved by referencing them to the Council's website, encourage them to register with the EU for larger contracts and the Government's national advertising portal contracts finder for lower value contracts within the public sector. The Council will build upon its current relationships with local businesses and will continue to support the development of new businesses. For contract opportunities the principles of fairness, equal opportunity, equal treatment, proportionality and non-discrimination will be applied to all suppliers.
- **Effective contract management** will be undertaken by relevant officers to ensure suppliers meet their obligations and the Council achieves value for money. Management will cover risk, compliance, satisfaction, value for money, complaints and the scope for innovation. With only limited resources available the primary focus will be given to contracts with a value in excess of £50,000.
- **Provide innovative procurement solutions** with the existing Public Contracts Regulations 2015, UK law and within the existing local government transparency regulations. The Council will build on its previous history of taking an innovative approach to procurement whilst still meeting its legal obligations.

7 CURRENT PARTNERSHIPS FOR SERVICE DELIVERY

- 7.1 The Council's previous Procurement Strategy had as one of its guiding principles 'Promote procurement based upon a partnering approach, in order to gain maximum mutual advantage and continuous improvement in service provision.'
- 7.2 The Council has in place or is developing the following partnerships for service delivery:

- (1) with Breckland and South Norfolk Councils for the management and delivery of internal audit services;
- (2) with South Norfolk, West Norfolk & King's Lynn, Fenland and Norwich City Councils for Building Control Services;
- (3) with all Norfolk district/borough councils and the County Council's waste disposal company for the provision of a waste recycling facility;
- (4) with housing associations on a range of initiatives to implement the Council's Housing Strategy and Action Plan;
- (5) Parish and Town Councils for delegated functions;
- (6) Norfolk County Council Department of Planning and Transportation for highways advice;
- (7) South Norfolk Council – Home Improvement Agency;
- (8) Citizens' Advice Bureaux for Norfolk Money Advice;
- (9) Norfolk Family Mediation Service;
- (10) Energy Efficiency Services;
- (11) Norfolk Public Law for Legal Services and
- (12) With various Government agencies: Department for Work and Pensions; Valuation Office Agency; Health and Safety Executive and Health Protection Agency.

8 PROPOSED PROCUREMENT ACTIVITY

8.1 The likely procurement activity of the Council in the foreseeable future is as follows:

- the procurement of services as identified in the Contracts Schedule;
- the procurement of services and works to maintain Council owned land and property;
- continuing procurement of routinely required goods and services;

- increasing expectations of partnership working with other local authorities, eg the Materials Recovery Facility (MRF) contract
- procurement of consultants to do individual pieces of specialist work and
- sub-regional working on housing and planning initiatives
- ensure that the Procurement Officer Group continues to provide guidance and support to officers undertaking procurement.

9 ORGANISATION AND RESOURCES

- 9.1 The Council's Constitution provides that the Portfolio for Finance has within its Terms of Reference 'Corporate Procurement, including central ordering arrangements'. The Portfolio Holder is responsible to the Cabinet for 'the monitoring and control of the procurement function within the Council'. Cabinet Members are responsible for procurement within their service areas within the procedures set out in the Scheme of Delegation in the Constitution.
- 9.2 Effective scrutiny of the procurement function is provided by the Overview and Scrutiny Committee.
- 9.3 The primary responsibility for procurement is delegated by the Council to operational managers, subject to the accountabilities, constraints and requirements set out in the Council's Financial Procedure Rules and Contracts Procedure Rules contained in the Council's Constitution.
- 9.4 The Head of Democratic Services and Monitoring Officer is responsible for the development and maintenance of this Strategy. This role is supported by the Officer Procurement Group (see 3.2 above).
- 9.5 Corporate support and guidance on purchasing is provided through Broadcast, the Council's intranet.
- 9.6 The budgeting and payment aspects of procurement are delivered through the Council's Financial Management System.

10 SKILLS AND TRAINING NEEDS

- 10.1 As the Council does not have or need a central procurement function employees for whom purchasing and procurement is part of their duties are required to have the necessary expertise to meet the requirements of the Strategy. This includes those involved in procurement needing to have a comprehensive understanding of Equalities and the Public Sector Duty. Elected Members of the Council also need to be sufficiently familiar with the

Council's procurement procedures to enable them both to make decisions about procurement and scrutinise the decisions of others.

- 10.2 Advice and support is available to officers procuring goods and services via the Officer Procurement Group.

11 CORPORATE GOVERNANCE

- 11.1 Corporate governance is the system by which local authorities direct and control their functions and relate to their communities.

- 11.2 The Council has a Code of Corporate Governance which addresses the following issues:

- (1) it brings together in a single document the Council's various arrangements for corporate governance;
- (2) it demonstrates the Council's commitment to its corporate objective 'to uphold the highest standards of integrity' and
- (3) it underpins the credibility and confidence in the work of the authority as an enabler, service provider and community leader.

- 11.3 Corporate Social Responsibility (CSR) involves looking at how companies take account of social and environmental factors and how these can impact on their reputation among consumers.

It is imperative for procurement and procurement personnel to build constructive relationships with key stakeholders while increasing business transparency and good governance. In this way they can play a pivotal role in shaping the business in a sustainable and competitive way, making sure the highest ethical standards are followed.

Senior procurement managers are ideally placed to input expert knowledge and experience in discussions of low-cost county sourcing in a way that can help reduce the risks.

- 11.4 This Procurement Strategy is supported by the Council's Code of Corporate Governance. The following aspects of the Code are directly relevant to procurement:

- (1) **Service Delivery Arrangements** Including outsourcing a wide range of services and wide ranging partnership arrangements that are required to give due regard to the contents of the Council's Strategy on Procurement.

- (2) **Structures and Processes** The Council has established an effective political and managerial structure and processes to govern decision-making and the exercise of authority within the organisation as set out in the Council's Constitution. The Scheme of Delegation in the Constitution provides a framework for transparent decision making on all matters relating to procurement.
- (3) **Risk Management and Internal Control** Financial regulations and contract procedures are included in the Constitution, procurement arrangements have been reviewed. The Council adopted a revised Risk Management Strategy and Guidelines at its meeting on 8 January 2013 based on a Systems Thinking approach. Risk is now reported as part of the existing performance reporting and Committee reporting processes. Major procurements will identify risks or opportunities in appropriate reports.
- (4) **Standards of conduct** The Council ensures that the openness, integrity and accountability of individuals forms the cornerstone of effective corporate governance. The Council's Anti-Fraud, Corruption and Money Laundering Policy includes a process for dealing with complaints. Internal audit arrangements are in place and have been strengthened by a partnership arrangement with two other councils. The Council has in place a Raising Concerns at Work Policy and a Relationships at Work Policy.