

Cherwell District Council

Executive

2 October 2023

Procurement Strategy (incorporating Social Value)

Report of Assistant Director Law and Governance & Monitoring Officer

This report is public.

Purpose of report

To provide an overview of a new Procurement Strategy - with background context to its aims and objectives - for adoption by the Council.

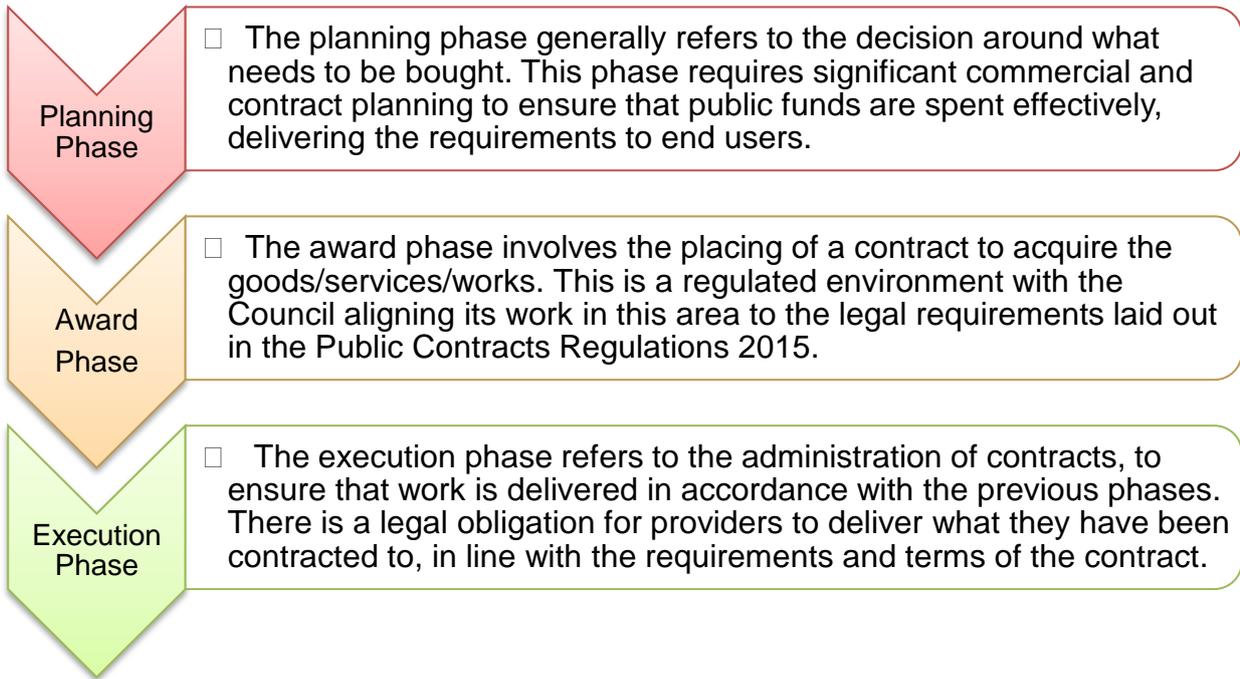
1.0 Recommendations

The meeting is recommended:

- 1.1 To approve the Procurement Strategy.

2.0 Introduction

- 2.1 Effective procurement and contract management are increasingly important for the successful delivery of value for money and quality services. The Council is a significant purchaser of goods, services and works in Cherwell. It is subject to public sector procurement rules and as such must buy goods, services and works in compliance with applicable law.
- 2.2 The attached Strategy sets out the objectives of the Procurement & Contracts Unit – part of Law and Governance - over the next few years to support the Council's aims for achieving cost efficiencies and added value in procurement.
- 2.3 The Strategy includes an action plan to build on existing processes, implement the new contract management model and drive strategically designed procurement outcomes. In addition, it will form the foundation for continuous improvement in purchasing practices, governance, and sustainability to support effective delivery of outsourced requirements.
- 2.4 This forward approach to purchasing, contract and supplier management will apply across all phases of procurement:



2.5 The Procurement Strategy explains how a cohesive procurement and contract management approach will support development of professional standards and processes across the Council for the award and management of quality supplies, services and works contracts that reflect good value for money and provide social value for our community.

3.0 Report Details

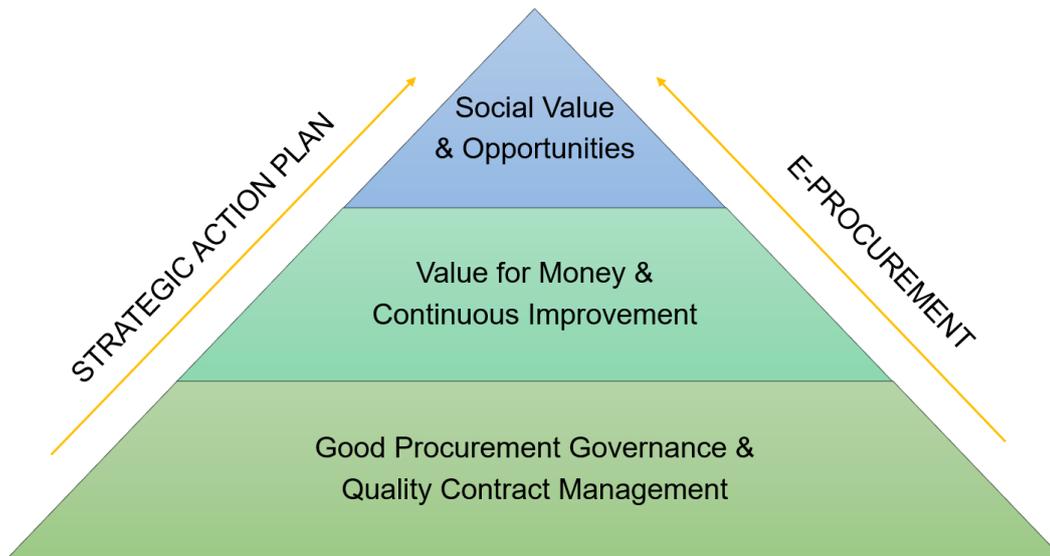
Summary

3.1 The Strategy sets out the aims and objectives of the Council’s approach to Procurement & Contract Management (2023-2025), including:

Supporting Cherwell	Developing the procurement and contracts service in alignment with Cherwell’s Delivery Themes set out in the Council’s Business Plan. In addition, offering practical support and commercial support for the Council’s strategic plans, such as Digital Futures.
Compliance & Governance	Public procurement is governed by a legal framework aimed at promoting the principles of economic competition, transparency and equality of treatment set out in public contracts legislation. Governance will be achieved through the Procurement & Contracts Group and application of the Council’s Contract Procedure Rules.
Value for Money	Significant savings and added value for the Council and local community can be achieved through: <ul style="list-style-type: none"> • Pipeline Planning and Stakeholder Engagement • Providing Support on Route to Market Options, Frameworks etc

	<ul style="list-style-type: none"> • Guidance and Support on Developing Specifications • Continuous Improvement and deployment of the E-Procurement Portal
Supplier & Contract Management	<p>Effective management of suppliers throughout the procurement and contract lifecycle, including:</p> <ul style="list-style-type: none"> • Promoting Use of Council Standard Terms and Conditions where appropriate • Support on Specifications and KPIs • Contract Management Training and Development of Staff (e.g., Guidance, Workshops, Contract Lifecycle support) • Due Diligence • Supplier Awareness and Engagement • Contracts Register
Social Value	<p>Further to the Public Services (Social Value) Act 2012, the Council has established as part of its procurement gateway process and this Strategy:</p> <ul style="list-style-type: none"> • Consideration of how proposed significant purchases of services might improve the economic, social and environmental well-being of the local area • How Sustainability - such as carbon footprint and emissions reduction, recycling and energy efficiency - may be achieved • Promotion of Equality, Diversity and Inclusion in the resourcing and delivery of contracted services and works
Promoting Opportunities	<p>This includes consideration of Added Value, an Inclusive Economy and Apprenticeships in relevant procurement requirements, in addition to engagement with business and collaboration in public procurement with local and other public sector organisations.</p>

- 3.2 The Strategy sets out a vision and roadmap for promotion of procurement opportunities, supplier engagement and partnerships to achieve value for money for the Council and increased social value for the local community. The action plan included in the Strategy sets out measurement of objectives and timelines in respect of developing procurement and contract management capabilities.
- 3.3 The current gateway process, established in March 2023, sets out a requirement that individual contract requirements (over the applicable thresholds set out in the Contract Procedure Rules) require submission and review of a clear contract strategy prior to approval.
- 3.4 Subsequently, the Council deployed a new electronic procurement portal for tendering and quotation activity. The intention is that medium-high value procurement activity is filtered through this e-procurement portal to enable accurate reporting and transparency of process.



4.0 Conclusion and Reasons for Recommendations

- 4.1 The Procurement Strategy – incorporating social value - will complement deployment of the portal and drive individual procurements and contract management requirements for effective outcomes of price, quality, quantity, place and time. This strategy – and the included action plan - will form the basis of a continuous improvement approach to drive efficiency and effectiveness.

5.0 Consultation

Officer	Role
Mark Duff	ICT and Digital Lead
Jo Miskin	Climate Action Manager, Environmental Services
Mike Gillespie	Property & Assets Manager, Property Services
Steven Newman	Senior Economic Growth Officer

6.0 Alternative Options and Reasons for Rejection

- 6.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: No Procurement Strategy

Rejected: An absence of a new strategy may result in a lack of clarity and direction for the development of procurement and contract management within the Council.

7.0 Implications

Financial and Resource Implications

- 7.1 The introduction of a Procurement Strategy on its own does not have explicit financial implications. However, having a clear strategy outlining how the Council should go about procurement in a lawful manner and ensuring that proper governance is followed will help to demonstrate that the Council is delivering value for money and best value.

Comments checked by:

Michael Furness, Assistant Director of Finance (S151 Officer)

Michael.furness@cherwell-dc.gov.uk

Legal Implications

- 7.2 It is anticipated this Strategy will have a positive impact on mitigating legal risk by setting out a roadmap for governance, legal compliance with the Public Contracts Regulations 2015 and new procurement legislation expected to come into force in 2024.

Comments checked by:

Shiraz Sheikh, Assistant Director Law & Governance (Monitoring Officer)

Shiraz.sheikh@cherwell-dc.gov.uk

Risk Implications

- 7.3 There are no significant risks arising directly from this report, on the contrary approval of this Strategy will mitigate any risk of becoming not compliant with the Public Contracts Regulations 2015. Any strategic risks arising through will be managed corporately and any local operational risks will be managed within the service area.

Comments checked by:

Celia Prado-Teeling, Performance and Insight Team Leader

Celia.prado-teeling@cherwell-dc.gov.uk

Equalities and Inclusion Implications

- 7.4 This Strategy has been developed in line with the commitments established in our Equalities, Diversity and Inclusion framework, an Equalities Impact Assessment has been completed, reflecting overall a positive impact.

Comments checked by:

Celia Prado-Teeling, Performance and Insight Team Leader

Celia.prado-teeling@cherwell-dc.gov.uk

Sustainability Implications

- 7.5 It is anticipated this Strategy will have a positive impact on promoting sustainability in the purchase of goods, services and works by setting out a roadmap for

addressing environmental issues and climate measures in procurement planning and contract management.

- 7.6 Climate and Equality Impact assessments have been conducted with no negative impacts identified (including community impacts).

Comments checked by:
Jo Miskin, Climate Action Manager
Jo.miskin@cherwell-dc.gov.uk

8.0 Decision Information

Key Decision

Financial Threshold Met: Yes

Community Impact Threshold Met: Yes

Wards Affected:

All

Links to Corporate Plan and Policy Framework

Cherwell [Social Value Policy](#)

CDC [Business Plan](#) 2023-2024

Lead Councillor

Councillor Adam Nell, Portfolio Holder for Finance

Document Information

Appendix number and title

- Appendix 1: Procurement Strategy (incorporating Social Value)

Background papers

None

Report Authors and contact details

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