

### **Document Control Sheet**

<b>Document title</b>	Commissioning and Procurement Strategy
<b>Summary of purpose</b>	Strategy for the Council's Commissioning and procuring works, services, and goods
<b>Prepared by</b>	Debbie White
<b>Status</b>	Final
<b>Version number</b>	3.0
<b>Approved by</b>	Council
<b>Approval date</b>	16 <sup>th</sup> May 2024
<b>Date of implementation</b>	2024
<b>Review frequency</b>	Every Three years
<b>Next review date</b>	2027
<b>Circulation</b>	
<b>Published on the Council's website</b>	Yes

### **Validity Statement**

This document is due for review by the date shown above, after which it may become invalid. Users of the strategy or policy should ensure that they are consulting the currently valid version of the document

# **Commissioning and Procurement Strategy**



**MALDON**  
DISTRICT COUNCIL

***2024 -2027***

# **CONTENTS**

- 1. INTRODUCTION**
- 2. PURPOSE OF THE STRATEGY**
- 3. SUSTAINABLE PROCUREMENT**
- 4. CLIMATE ACTION**
- 5. STRATEGIC OBJECTIVES**
- 6. CORPORATE PRIORITIES**
- 7. MONITORING & REVIEW**
- 8. CONTRACT & SUPPLIER MANAGEMENT**
- 9. EMBEDDING DELIVERY OF THE STRATEGY**

## 1. INTRODUCTION

Maldon District Council ('the Council') spends approximately £8 million per annum on the procurement of goods, works and services. The impact of the increasing financial pressures upon local authorities has increased the importance of the role that procurement has to play, in ensuring services continue to be delivered at a high standard while balancing the need for greater value for money.

The Council uses its procurement processes to achieve the greatest benefit to the district economy and its residents and to ensure that the goods and services which it procures reflect the Council's values and priorities on climate change, fairness, tackling deprivation, and sustainable economic growth.

**Commissioning** – Commissioning can be defined as securing services that essentially address the needs and wishes of the service user as determined through research and planning. Commissioning is the process by which the Council decides whether or not to proceed with a programme or project.

**Procurement** – the acquisition of goods, works and services which meet the customers' and service users' needs, whilst ensuring value for money throughout the life of the product including disposal.

This Procurement Strategy (2024-2027) provides a framework against which procurement activity can be undertaken in line with the vision and priorities of the Council as expressed in the Corporate Plan;

### **Our Vision**

*To be a sustainable Council, promoting the district and all that it has to offer.  
To support our communities through excellent partnership working and to maintain and improve quality of life.*

### **Our Priorities**

- *Supporting our communities*
- *Investing in our district*
- *Smarter finances*
- *A greener future*
- *Provide good quality services*

The Senior Leadership Team (SLT) are responsible for ensuring that the principles of this strategy are embedded into practice and to promote its implementation within their own service area. Members are expected to use this strategy as a sense-check to review officer procurement decision-making through the relevant committees.

The Chief Executive in consultation with the Chairperson of the Strategy and Resources Committee, will approve amendments to the Procurement Strategy where required.

## 2. PURPOSE OF THE STRATEGY

This Procurement Strategy 2024–2027 establishes the Council's strategic approach to procurement. This strategy should be read in conjunction with the Council's Financial Regulation's, and the Contract Procedure Rules.

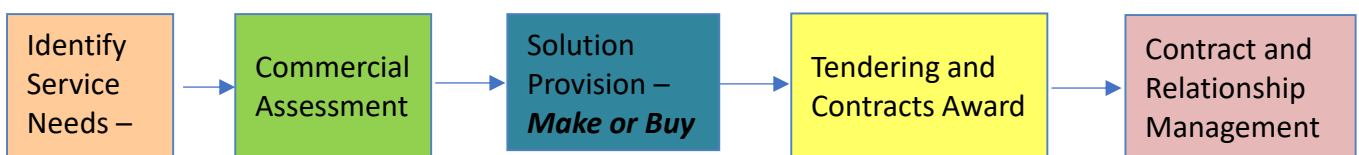
This Procurement Strategy also emphasises the increasing importance of using procurement to support wider social, economic, and environmental objectives, in ways that offer real long-term benefits, including the promotion of apprenticeship roles through our contractors.

The Council recognises that it has a vital role to play in furthering sustainable development and addressing the issue of climate change, through its procurement of goods, works and services. Procurement decisions have a major socio-economic and environmental implication, both locally and globally, now and for future generations. The Council understands the importance of a strong local economy and the role that it can play in stimulating local markets.

A Procurement Strategy is vital to;

- Secure best value;
- Support the Council's priorities;
- Address all elements of the Procurement Lifecycle, *see Figure 1*
- Provide best practise and support the Council's pathway towards being a Carbon Neutral Council by 2030;
- Provide a source of information on the Council's approach to procurement;
- To create a climate where all parties can contribute to achieving best value and value for money;
- To comply with the Procurement Regulations 2024, and any changes to Legislation, the Council's Financial Regulations and Contract Procedure Rules in addition to other associated legislative requirements.

### The Procurement and Commissioning Life Cycle



*Figure 1 – The Procurement and Commissioning Life Cycle (note in reality it's not a straight-line process but one which continually evolves)*

We aim to manage each stage of the life cycle to help us achieve successful and sustainable outcomes and:

- increase our commercial leverage.
- consider within our service areas how we can operate more commercially.
- avoid cost overruns and sometimes poor contractor performance.
- achieve better outcomes through social value and our Corporate Priorities.
- build on relationships with our suppliers and stakeholders.

The Council intends to deliver commercially effective and compliant procurement which is responsive and adapts to the challenges presented. The Council will procure goods, services, and works by the most economic, efficient, and effective means, reflected in the resultant contracts, which will work harder to support the people of the district through the delivery of additional social value whilst promoting environmental and innovation in the context of combating climate change to help minimise environmental impact.

It is a legislative requirement that Social Value is considered and applied to each contract in a proportionate and appropriate way. The Council's priorities will be considered in this way pre-procurement, to ensure relevant to the contract.

In order to achieve this, the Council must remain committed to embracing change in working practices to ensure the benefits of legally compliant procurement approaches are realised. The Council will continue to refine its procurement practice by continually challenging itself, developing new innovative procurement approaches, and engaging in the wider procurement community. Good practices from both the public and private sectors will be utilised where they will add value to the procurement process.

### **3. SUSTAINABLE PROCUREMENT**

**Sustainable Procurement** – The importance of sustainable procurement is emphasised; using procurement to support wider social, economic, and environmental objectives in a way that offers real long-term benefits. This Strategy supports our commitment, to enable us to demonstrate improvement in delivering sustainable outcomes through effective procurement practices. To achieve Sustainability, we will work in partnership with our suppliers and other stakeholders in creating more opportunities for Local Businesses & SME's, Social Enterprises and Third Sector Organisations. In this way we can work towards improving areas such as;

- Value and grow our relationship with Local and small businesses
- The Payment of Living wages
- Reducing the Carbon Footprint in our Supply Chain
- Ensuring Services are accessible

### **4. CLIMATE ACTION**

The council's Climate Action Strategy sets out 8 key aspirations:

- To be a carbon neutral Council by 2030 and ensure that all our strategic decisions, budgets and approaches to planning and regulatory decisions are in line with a shift to net-zero carbon by 2030.
- To improve our flood resilience and defences, to protect the land and homes in the district.

- To lead by example as a local authority and encourage local businesses, residents, and parishes to make positive changes.
- To give our younger people a voice by launching the **Our Home, Our Future**, community engagement group.
- To challenge perceptions and encourage positive, long-term behaviour change leading to healthier, greener lives.
- To identify and deliver economic benefits, leading to sustainable businesses, energy and environment related skills and jobs.
- Give residents, businesses, and visitors the choice and opportunity to make greener, less harmful decisions.
- Reduce use of oil, natural gas, and coal. Support the energy sector generating green energy to secure, low cost and low carbon energy supply.

The Procurement Team are key stakeholders in supporting the ongoing targets, as set out in the Council's Climate Action Strategy.

## 5. STRATEGIC OBJECTIVES

This Procurement Strategy supports the Council's Corporate Plan. At a general level, procurement of goods, works and services assists in delivering the Council's strategic objectives and statutory responsibilities:

- Consider the impact of all major procurements on the achievement of the strategic priorities of the Council identified within the Council's current and future Corporate Plan;
- The Council will apply the overriding principles of fairness, openness, and transparency to all procurement activities;
- by ensuring procurements reflect relevant sustainability, diversity and environmental issues and ensure procurement processes support and reflect the aim of protecting our environment for future generations;
- by supporting the Council's aim of becoming carbon net-zero by 2030 the Council will embed sustainable sourcing and procurement practices into its processes where permissible.
- by ensuring procurement guidance is clear and simple, and that relevant contracts are advertised and accessible to all. The procurement process used do not unfairly limit the opportunity for Social Enterprises/Third sector organisations;
- by encouraging an effective local supplier market and the promotion of local social value in contracts (such as the creation of apprenticeships)
- by ensuring robust performance indicators and contract management is

carried out on relevant and proportionate contracts to ensure suppliers meet their obligations and that the Council achieves value for money.

- by ensuring Social Value benefits are monitored and reported by Contract Managers;
- by aiming for procurement to provide the best value solution for the district.
- Using the procurement life cycle to assist in identifying improvements to services and support the delivery of value for money.
- by working closely with partner organisations such as the East of England LGA, and the Procurement Agency for Essex and other partnership groups to deliver savings and efficiencies through collaboration

## **6. CORPORATE PRIORITIES**

This Strategy supports our Corporate Priorities in the following way:

Enable communities: We will engage with all parts of our communities, including Parish Councils, businesses, and our residents to encourage the most efficient way to provide services by:

- Seeking to secure the best outcomes for the local community by making use of all available resources – without regard to whether services are provided in-house, externally or through partnership arrangements.
- Continuously improving services through the adoption of innovative and commercial practices so that service users see an improvement in both quality and value for money.
- Ensure we engage the diverse needs of the Community.
- Monitoring and reporting compliance with procurement policies and procedures.
- Improving understanding of procurement and commissioning for both internal and external stakeholders.
- Early intervention: We will promote the safeguarding of our young and vulnerable residents by;
  - Ensuring that arrangements are in place with contractors to safeguard children and vulnerable adults in accordance with legislation (existing contracts).
  - Ensure that the Councils procurement process require suppliers to comply with Safeguarding requirements (new contracts).

## **7. MONITORING AND REVIEW**

The aims, objectives, and key priorities of this strategy will be subject to reviews and monitoring on an ongoing basis.

Leadership commitment to delivering improvements through effective and efficient procurement is in place. Core principles for Procurement Leadership and Guidance are to:

- Maintain a clear corporate strategic leadership that covers all procurement activity
- Ensure objectives reflect and support the Council's core values, aims and objectives
- Clearly defined processes/procedures and delegation of authority for procurement are embedded in the Councils Contract Procedure Rules for Contracts and financial regulations.
- Implement and monitor the Council's Procurement Strategy.
- Ensure procurement procedures reflect developments in legislation and provide a robust framework to support the probity of Council spending.
- Protect the council from challenge by determining officer accountabilities and responsibilities in procurement activity, then monitoring and enforcing compliance.

## **8. CONTRACT & SUPPLIER MANAGEMENT**

Contract & Supplier Management is the responsibility of Services leading the contract. Monitoring will be the responsibility of the contract manager. Robust contract management from the start of the contract will enable;

- Strong supplier relationships
- Identification and management of cashable and non-cashable savings opportunities.
- Working with suppliers and contractors to identify risks at the earliest stage
- Manage potential increases in the cost of the contract.
- Procurement manages a contracts register, identifying key suppliers and supporting services in monitoring, and escalation of requirements.
- Procurement support Contract Managers across the lifecycle of contracts, as and when required including changes in circumstances and/or need.

## **9. EMBEDDING DELIVERY OF THE STRATEGY**

The delivery of this Procurement Strategy will ensure procurement is delivered in a compliant and efficient manner, provide for improvement, and contribute to the wider Council and Service priorities.

By ensuring early engagement and clear communication with Service departments, we will assist in achieving best value for the Council.

We will ensure, where appropriate to the contract, all contractors and suppliers either have in place their own Safeguarding policy or confirm they will sign up to the Councils safeguarding policy.

- Where contracts are over £50,000 and following a tender process, contractors will need to provide their policy or confirm signing up to the Councils policy at tender stage and monitored during contract management.
- Where contracts are below £50,000 and following a quote process, then the officer will be responsible for confirming with the contractor.

### **Deliver Value for money by;**

- Ensuring that Tenders are evaluated in terms of total life costs. Although the upfront cost may be higher, this could be offset by lower costs in subsequent years e.g. electric vehicles, reduction of waste through packaging, reusability, and disposal.
- Measuring contract outputs and key performance indicators to ensure competitiveness over the lifetime of the contract.
- Monitoring and enforcing compliance to 'on contract' spend
- Reducing off contract spend
- Maximising contracts to achieve the greatest value for money
- By including appropriate Lots where practicable to promote and improve Local Businesses /SME and Third Sector opportunities to win business with the Council
- Maximising the impact of each pound spent by including Social Value requirements in all relevant Procurements that are proportionate to the contract.
- Supporting robust contract management

### **Carry out in compliance our duty to treat relevant economic operators equally and without discrimination.**

The Council's Contract Procedure Rules relating to Contracts, Procurement Strategy & internal Governance apply to all contracts made by or on behalf of the Council for the execution of works, for the supply of goods and materials, or for the provision of services.

- All Procurement activity undertaken must comply with the Councils process and procedures which secures full compliance.
- All Procurements must be undertaken in compliance with its duty to act in a transparent and proportionate manner.

### **Support Sustainable, Social Value and diversity policies through Procurement processes**

- Incorporate Sustainable/Green requirements in all relevant procurements.
- Improve focus on Social, and environmental wellbeing in the area
- The Councils Social Value Policy will support the focus required in achieving more Social Value benefits across relevant Procurements.
- Support internal stakeholders and Local partners, in working to achieve Social Value benefits that are aligned with the Councils and Local area initiatives.
- Support the Councils Climate Action Strategy within its Procurements

### **Promote compliance with Health and safety at work, to include supplier/sub-contractor compliance.**

- Health & Safety criteria form part of the evaluation criteria for all relevant and appropriate contracts. These elements are scored on a Pass/Fail basis.
- The Procurement team will engage with the Councils Corporate H&S Advisor where appropriate to ensure legislative requirements are met within our contracts.

### **Payment of Invoices**

- The Council intends to ensure so far as is reasonably practical that the payment of invoices is made no later than 30 days after receipt of invoice by the Council to a supplier and the supplier's potential sub-contractors.
- Payment clauses are within the legal Procurement documents.