

STRATEGY / POLICY FRONT COVER



Name of Strategy / Policy: Commissioning and Procurement Strategy

Date last updated: April 2009

Links to Council Priorities:

Priority	Linked Yes / No?
Environment – Civic Pride	No
Regeneration and Homes	No
Improving the Council	Yes
Community Safety	No

Links to Other Strategies and Policies

Community Strategy, Corporate Plan and Service Action Plans.

Action Plan in this document?

Yes – Procurement Action plan reported separately.

Actions linked to corporate plan objectives?

Yes

Officer Monitoring

Name of officer responsible for co-ordinating and progressing the action plan:

Chris Mills – Head of Resources

Member Monitoring

Name of member champion or committee responsible for over viewing progress of the Strategy:

Cllr Burch. Member Champion for Procurement

Has it been subject to a Diversity Impact Assessment? No.

Has it been subject to an Environmental Sustainability Impact Appraisal? No.



Castle Point Borough Council

Commissioning and Procurement Strategy

For the period

2009/10 to 2013/14

Produced by: Head of Resources.

Subject to Bi-Annual Review

Approved by:

- Executive Management Team: April 2009
- Cabinet: 19th May 2009

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1. Introduction

- 1.1 Copies of the Council's Strategies and Policies can be obtained at the Council Offices or on our website at www.castlepoint.gov.uk.
- 1.2 The Commissioning and Procurement Strategy sets out the Council's commissioning and procurement policy objectives and principles. The strategy is supported by an annual action plan and the Procurement Toolkit.
- 1.3 The resource implications of procurement/commissioning activities are set out in the various Service Action Plans and reflected in approved budgets.

2. Our Key Priorities

- 2.1 The Corporate Plan is revised annually and the next version is due to be published shortly. This Strategy takes account of any planned changes to be incorporated in the revised Corporate Plan to the extent that they could be identified during its preparation.
- 2.2 Our present Key Priorities established from the Sustainable Community Strategy together with our internal priority are: -
 - Environment – Civic Pride
 - Regeneration and Homes
 - Improving the Council
 - Community Safety
- 2.3 In producing this strategy, the council has had regard to both local background and the aims of the National Procurement Strategy. It is also informed by the IdeA documents entitled the National Procurement Strategy One and Two Years On.
- 2.4 The main aim of this strategy is to set out clearly, the key policy principles which the council will follow in all its commissioning and procurement activities. These reflect our corporate objectives and comply with the financial strategy, contract procedure rules and the National Procurement Strategy (NPS).

3. Definitions

- 3.1 Commissioning and procurement are terms without commonly accepted definitions across the public sector.
- 3.2 For the purposes of this strategy, Commissioning is defined as the entire cycle of assessing the needs of people in a local area, designing services, and then securing them. Procurement is defined as covering the specific activities within the commissioning cycle that focus on the process of buying goods or services, from the initial advertising through to the final contract.

4. Overall Purpose of the Commissioning and Procurement Strategy

- 4.1 The overall purpose of the strategy is to ensure that the council meets the duty of value for money both in strategic service delivery options and in contracts for goods, works and services.
- 4.2 The strategy facilitates the council's full use of its powers and duty to promote the economic well being of the borough and will encourage diversity amongst suppliers and in the way services are provided.
- 4.3 Procurement decisions will reflect careful evaluation of sustainability, equality, cost and quality and the best means of financing council services, projects and contracts.

5. Strategic Objectives

- 5.1 The Council's vision for Castle Point is to create a community where everyone can prosper, be safe and live in a high quality environment.
- 5.2 The strategy supports this vision through ensuring the following objectives are adhered to:

a) Ensure Value for money by:

- Proactively managing contracts throughout their lifecycle.
- Continuously improving purchasing arrangements to reduce administration.
- Communication and promotion of the strategy to all staff involved in the procurement process, increasing council wide awareness and understanding of procurement and commissioning options and practices.
- Continuously improving services through the adoption of innovative practices so that service users see an improvement in both quality and value for money.

b) Excellent Services:

- Improve understanding of procurement and commissioning for both internal and external stakeholders.
- Build on the focus and leadership of procurement.
- Continue to update the contract register and fully utilise it as the basis for planned procurement activity.
- Adopt best practice procurement processes.
- Seek 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.

- c) Partnerships and Community Engagement:
- Prioritise procurement expertise on high value and high-risk projects.
 - Adopt a collaborative approach to procurement by participating in framework contracts.
 - Wherever possible, engage with service users, stakeholders and potential suppliers in identifying service needs, priorities, service design and solutions for the delivery of services, as well as performance monitoring.
 - Wherever possible, pay particular regard to meeting the diverse needs of our population.
- d) Modern Procurement Techniques:
- Improve the approach to e procurement and obtain greater efficiencies and effectiveness through its use.
- e) Support Castle Point's Sustainable Community Strategy:
- Improve accessibility of local Small and Medium sized Enterprises (SME's), ethnic minority and third sector businesses to Council business and support the local economy where possible.
 - Ensure we engage the diverse needs of the Community.
 - Require bidders to demonstrate effective use of the supply chain.
- f) Support Castle Point's Environmental Sustainability and Climate Change Strategy:
- Develop sustainable procurement practices to support the aims in the strategy, including focussing procurement activity to consider Environmental, Economic and Social sustainability.
 - Include key sustainability criteria within all contract specifications.
 - Engage with suppliers to promote continual sustainability improvements and to use our influence to require and encourage others to procure sustainably to meet the Council's targets as set out in Castle Point's Environmental Sustainability and Climate Change Strategy.
 - To choose products, contractors and suppliers that have high environmental performance and in construction to encourage developers and architects to specify new building and refurbishments with high environmental standards.
- g) Work towards the aims of the National Procurement Strategy.

- h) To ensure that equality is embedded into all procurement and commissioning policies and procedures.
- That equality issues are incorporated at each stage of the procurement process.

6. Sustainable procurement.

- 6.1 Sustainable procurement has two elements, the environment and the community.

The Environment

- 6.2 The Council has recently developed a Sustainability Strategy and the Council's Procurement policy and practices will ensure it considers the key objectives of that Strategy.
- 6.3 The environmental purchasing approach of Castle Point is to ensure, where economically viable, that the Council uses materials that have the least possible impact on the environment, whether in production, delivery, use or disposal.
- 6.4 This approach will be achieved through:
- Using sustainable procurement risk analysis to minimise the environmental and social impacts associated with the products and services purchased in the tendering process including carbon footprint implications.
 - Purchasing materials from sustainable sources. To this end we will ask suppliers for their environmental policies and for details of the environmentally friendly properties of their products.
 - Developing and implement a policy of waste reduction, reuse and recycling.
 - Purchasing equipment that is energy efficient and taking account of the whole life cycle and associated costs and benefits.
 - Purchase as little as possible.

Supporting the local community & diverse groups

- 6.5 We will encourage a diverse and competitive supply market by ensuring that local businesses are given an equal opportunity to participate in competition for Council business, whilst still maintaining a competitive supply market by:
- Including local businesses in the Council's approved lists.
 - Providing clear advice and guidance to local businesses about how to bid for the Council's work.
 - Encouraging the employment of local labour by the council's successful contractors.

- Reviewing how contracts are structured so as not to prejudice local businesses.
- Exploring policy options for allocation of local contracts where permissible under legislation.
- Exploring how to better engage with ethnic, disabled and other minority group suppliers.

7. Partnering and Collaboration

7.1 The Council defines partnering as the creation of sustainable, collaborative relationships with suppliers to deliver services, carry out projects and acquire goods.

7.2 Collaboration is the process of working with other authorities or agencies to combine buying power and leverage based on higher levels of spend, to gain more favourable pricing and terms from suppliers when procuring goods or services.

7.3 The council welcomes partnerships with other agencies which share its community and corporate aims. Therefore, to exploit these, the council will:

- Include partnership options when undertaking service reviews and other appraisals.
- Through the Procurement Agency for Essex (PAE), Essex Procurement Hub and in collaboration with neighbouring authorities develop sub regional and local procurement programmes and combine procurement options in both management of contracts as well as provision of services, works and supplies.
- Support the voluntary sector to engage with the council and explore the potential for partnerships with local voluntary sector agencies interested in the provision of services for local people.
- Explore partnering opportunities with other agencies for significant construction projects.

8. Procurement Resource

8.1 To deliver the desired results the Council needs access to high calibre procurement expertise and governance. Castle Point is a small district Council with limited resources and therefore considers that collaborative working arrangements are essential.

8.2 To gain specific procurement expertise and to support the procurement process, Castle Point is an active member of the Essex Procurement Hub (EPH). The EPH has been established by a neighbouring council (Braintree District) to support Essex Councils that have no dedicated procurement resource. This shared service ensures that the council has access to a fully qualified procurement professional for 2 days per week to assist with procurement projects. In addition Castle Point is also an active member of the Procurement Agency for Essex (PAE) that has been

established by Essex Chief Executives. The PAE provide vital strategic direction and also act as the main focal point for the procurement work associated with the Regional Improvement and Efficiency Partnerships (RIEPs).

9. Governance and Responsibility

- 9.1 The management structure of procurement needs to ensure that strategic direction is clear. Therefore the structure is based on a Procurement Board which oversees the work of a Procurement Group.
- 9.2 The board will meet every three to six months and will consider reports on an exception basis. The strategy for procurement and the key policy initiatives will also be discussed, as appropriate, at each meeting.
- 9.3 The Procurement Board will consist of
 - Member Champion
 - Head of Resources
 - Head of Legal Services
- 9.4 The Procurement Group consists of a range of staff at all levels with key roles in procurement.
- 9.5 The key control over procurement activities is the Council's contract procedure rules which set out the rules governing all aspects of procurement activity and outlines procedures to be followed for procurements that fall within set levels of spend. This is aided by the procurement toolkit.

10. Procurement efficiencies and the use of ICT

- 10.1 The National Procurement Strategy (NPS) places certain responsibilities on all councils.
- 10.2 The Council has deployed the IdeA Essex Marketplace solution with electronic interfaces to the finance system (Cedar's E-financials) for the control and management of electronic on line ordering. The Essex marketplace is used by 13 of the 14 local authorities in Essex and gives access to a well established e-marketplace of suppliers and online catalogues. This is in line with the targets set by the NPS.
- 10.3 The Council is currently arranging with its contractors Cedar for the evaluation of e- invoicing implementation.
- 10.4 The Council is currently implementing with its partners an Essex wide supplier portal which allows procuring officers to access a wide variety of approved suppliers, post contract notices and has e-tendering functionality.

The PAE portal provides suppliers with a single point of access to Local Authority contract opportunities and buyers.

10.5 The Council is using its website to promote good practice in selling to the Council.

11. Performance Measures and Targets

11.1 The council has established performance measures for procurement which are monitored on a quarterly basis. Efficiencies gained through the adoption of procurement best practice count towards the Council's overall VFM efficiency target which is reported on half and full year basis.