

PROCUREMENT STRATEGY UPDATE

Finance and Resources Advisory Committee – 29 August 2013

Report of Head of Environmental & Operational Services

Status: For Consideration

Key Decision: No

This report supports the Council Promise to provide value for money

Portfolio Holder Cllr. Ramsay

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Recommendation to Finance and Resources Advisory Committee:

To recommend to Cabinet the adoption of the updated Procurement Strategy

Reason for recommendation: To ensure that the Council has in place an appropriate strategy that guides all procurement activity across the council.

Introduction and Background

- 1 The Council's current Procurement Strategy was adopted by Cabinet in September 2010. Since this time the Council's Officer Procurement Group has kept the Strategy under review to ensure it continues to comply with relevant legislation and best practice in procurement as well as supporting the Council in meeting its priorities.
- 2 With the Council adopting its new vision and promises and the introduction of The Public Services (Social Value) Act it is evident that the current Procurement Strategy requires updating to ensure it continues to provide an appropriate framework for all procurement activity across the council.

Updates to the Procurement Strategy

- 3 The Procurement Strategy as adopted in 2010 continues to provide a robust framework for procurement activity across the council by ensuring key principles are considered in the award of any contract for goods or services.
- 4 It is a requirement of the Strategy that any amendments required to it are reported to Members for their consideration and approval. In summary the Procurement Strategy at Appendix A includes the following updates:

- Revised Council Vision & Promises section (page 1 of the Strategy) to reflect those adopted by Council;
 - Addition of a Social Value principle (page 2 of the Strategy) to reflect new requirements placed up on the Council through The Public Services (Social Value) Act; and
 - The introduction of an Effective Practice & Decision Making section (page 3 of the Strategy) to improve the clarity of the Strategy. All of the content in this new section was previously included as 'Procurement Principles'.
- 5 Minor amendments have been made to more accurately reflect the role of the Council's Officer Procurement Group and the design and layout of the Strategy has been updated to align with other policy and strategy documents and to improve the readability of the document.

Other Options Considered and/or Rejected

- 6 No further options have been considered by Officers. The update to the Strategy is imperative to support best practice procurement across the council. Members may wish to recommend any other areas that the Strategy should consider to further improve the Council's approach to procurement.

Key Implications

Financial

- 7 The Procurement Strategy is designed to support the delivery of best value in all decision making in the purchase of goods and services. Adoption of the updated Procurement Strategy will continue to promote effective use of council resources and value for money.

Legal Implications and Risk Assessment Statement

- 8 Failure to follow appropriate procurement guidance and legislation has the potential to create significant complications for a local authority. The Strategy promotes best practice and Officers are clear on the requirements to adhere to financial and contract procedure rules, and to take the professional advice of the Council's legal service to ensure guidance and legislation is followed in all procurement activity.
- 9 The Council's Officer Procurement Group plays a key role in minimising risk to the Council and regular Internal Audit reviews provide assurance that appropriate practices are being followed and recommendations for improvement will be made where this is not the case.

Equality Impacts

Consideration of impacts under the Public Sector Equality Duty:		
Question	Answer	Explanation / Evidence
a. Does the decision being made or recommended through this paper have potential to disadvantage or discriminate against different groups in the community?	No	A core principle within the Council's Procurement Strategy is consideration of Equality and Diversity and the positive benefits that can be brought to the council and the community through procurement activity.
b. Does the decision being made or recommended through this paper have the potential to promote equality of opportunity?	Yes	An impact assessment will be completed to support the Cabinet in making their decision on the strategy in accordance with Council policy.
c. What steps can be taken to mitigate, reduce, avoid or minimise the impacts identified above?		None.

Conclusions

Updates to the council's Procurement Strategy have been recommended to Members to ensure that the framework that guides the decision making on all purchases of goods and services is in accordance with relevant legislation and best practice in procurement as well as supporting the Council in meeting its priorities.

Subject to the consideration of the Finance and Resources Advisory Committee it is recommended that the updated Strategy put forward is recommended for adoption by Cabinet.

Appendices

Appendix – Procurement Strategy

Background Papers:

Council Vision and Promises

<http://cds.sevenoaks.gov.uk/documents/s4900/Item%205b%20The%20Developing%20Vision.pdf>
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The Public Services (Social Value) Act

<http://www.legislation.gov.uk/ukpga/2012/3/contents>

Mr Richard Wilson

Head of Environmental & Operational Services