

Appendix 2 to Minute Number 66

Proposed amendments to the Procurement Strategy are shown in **bold**

Warwick District Council Procurement Strategy 2019-2023

1. Introduction

The Council spends approximately £35m each year on purchased goods, services and works. Spending this money wisely through effective procurement is fundamental to achieving organisational success for the Council, delivering our corporate priorities and securing good quality, affordable services that meet the needs of the citizens of Warwick District and the users of our services.

The Council recognises the wider impact that excellent procurement can have and the importance of balancing the cost and quality of the goods, services and works that it procures. The vision and objectives set out in this Strategy illustrate the contribution that effective procurement can make to a wide range of social and **environmental** agendas and the delivery of the Council's priorities.

2. The Legislative Framework within which we procure

The framework within which public sector procurement is undertaken is complicated, comprising of both EU and UK legislative requirements. Within the Council this is supplemented by local requirements contained within the Council's own Constitution.

To make the legislative framework workable for managers, summary requirements are detailed in the Procurement Code of Practice and Financial Code of Practice. These codes, together with procurement guidance issued by the Head of Finance from time to time, form the framework within which managers undertake procurement and contracting activity. All managers are required to observe the rules, regulations and guidance contained within the framework documents for any procurement they undertake and selective auditing of compliance is undertaken to ensure this.

3. What do we mean by procurement?

Procurement encompasses the whole process of acquiring goods, services and works; from the initial concept and definition of the business need, sourcing the right provider, management of the arrangements we put in place, and ultimately through to the end of the useful life of an asset or the end of the service.

4. Procurement Structure within the Council

The structure of procurement within the Council is designed to support the delivery of the Council's objectives and reflects the Council's financial strategy of delegated budgets and local management of services.

The Procurement Service (led by the Head of Finance) is at the centre of this structure and is responsible for:

- Advising members and officers on procurement related matters
- Establishing and implementing procurement policy, strategy and process
- Identifying procurement opportunities
- Leading the procurement on high value and/or high risk contracts
- Developing procurement skills and competence
- Supporting Services in their transformation and savings agendas
- Increasing the use of E procurement solutions throughout the Council

Lower value, lower risk procurement is undertaken locally by service managers within the 'framework' described in section 2.

In addition to its local arrangements, in April 2018, the Council entered into a procurement collaboration with Warwickshire County Council, the purpose of which is to be able to access strategic procurement support. Its aim is to deliver this procurement strategy and to enable access to additional procurement capacity providing resilience to the Council's small internal procurement team.

5. Our Vision

Our vision for procurement is to support the provision of good quality, affordable services to our customers in accordance with the Council's identified priorities through a strategic, systematic and proportionate approach to procurement.

6. Our Objectives for Procurement

To develop procurement in the council from an operational process to a strategic activity. We will do this by:

- Embedding the recently adopted Procurement Code of Practice across the Council
- Evaluating and if necessary refining our approach to contract management
- Refining our approach to major projects to ensure the early engagement of procurement
- Seeking out innovative procurement solutions to service delivery
- Developing and implementing a KPI framework for procurement across the council
- Continue to develop the strategic procurement relationship with Warwickshire County Council and maximise the opportunities from this

Through procurement, support the council to deliver its wider social priorities and objectives **and implement Corporate Social Responsibility (CSR) to support suppliers and supply chains to become net-zero carbon.** We will do this by:

- Reviewing and relaunching the Council's Corporate Responsible Procurement Policy
- Embedding the Council's policy aspirations in this area into procurement process and practice
- Supporting the Council to deliver its single use plastics policy
 - **Undertake sustainable sourcing wherever possible**
 - **Develop contracted suppliers and their supply chains to support them in becoming net zero carbon**
 - **Introduce performance management measures for supplier and supply chain carbon emissions by utilising carbon monitoring tools and carbon action plans**

Ensuring that the council's officers and elected members have the necessary knowledge, skills, tools and support to undertake effective procurement. We will do this by:

- Developing and delivering a portfolio of training for officers and members
- Reviewing all procurement related documentation and guidance

Maximising procurement opportunities through effective collaboration. We will do this by:

- Effective networking with the right people at the right time
- Actively seeking collaborative opportunities both internally and externally to the Council
- Maximising the opportunities to work jointly with Warwickshire County Council and **Stratford District Council.**

Maximising the opportunities from effective contract management. We will do this by:

- Considering the council's current approach to contract management
- Ensuring effective contract management across the Council
- Ensuring all contracts have an appropriate set of indicators that drive performance
- Providing appropriate training and guidance for officers

Supporting the Council to meet its commercial and **environmental** objectives. We will do this by:

- Exploring new and innovative methods for providing services, goods and works
- Ensuring that specifications and contracts are written with a commercial and **environmental** slant
- Through effective contract management ensuring that value for money and outcomes are achieved and contract performance is high

Through procurement, seek to maximise the trading opportunities for local businesses and SME's and support a thriving voluntary and community sector. We will do this by:

- Being plugged into and aware of the relevant networks and forging effective relationships with them.
- Facilitating early engagement events and having constructive dialogue with the sectors
- Promoting the benefits of local supply and a thriving voluntary and community sector through procurement training and procurement guidance
- Simplification of the process of procurement
- Embedding the use of electronic tendering across the council

6. Continuous Improvement

The Council is committed to continuously reviewing and improving both practices and procedures, throughout the course of this strategy. We will seek to achieve best practice for procurement through networking and benchmarking. We will attempt to be responsive at all times and ensure that we simplify the complexities of council procurement for those that matter most – the end customer, service users and our suppliers.

7. Measuring Performance

A series of key measures and targets (KPIs) are being identified to measure the key themes of the strategy. These KPIs will be monitored and reviewed on a biannual basis in order to ensure that the performance against targets are delivered. The Procurement Board will have delegated authority to amend the KPIs to reflect any changes in the sector or the Council's corporate objectives. A bi-annual report will be presented detailing progress against the action plan.

8. Strategy Review

This Procurement Strategy has been developed based on the 'known' current climate and is achievable based on existing capacity.