

Forest Heath District Council

**PERFORMANCE AND
AUDIT SCRUTINY
COMMITTEE**

29 MAY 2014

PAS14/038

(This report is a key decision. This report has been subject to appropriate notice of publication under the Council's Access to Information Rules)

Report of the Head of Resources and Performance.

ADOPTION OF A JOINT PROCUREMENT STRATEGY

1. Summary and reasons for recommendation(s)

- 1.1 Currently both Forest Heath District Council and St Edmundsbury Borough Council has its own Procurement Strategy and it is desirable that these be replaced by a West Suffolk Procurement Strategy that addresses the issues of procuring services, supplies and works across the West Suffolk region.
- 1.2 A working group of Officers was established and prepared the attached draft West Suffolk Procurement Strategy.
- 1.3 A Consultation exercise was undertaken in respect of the proposed draft between the 31 March and 2 May.
- 1.4 Subject to the outcome of this meeting the draft Procurement Strategy will be reported to Cabinet for final approval.

2. Recommendation(s)

- 2.1 That the West Suffolk Procurement Strategy is approved.

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3. How will the recommendations help us meet our strategic priorities?

3.1 The resulting strategy should improve procurement activity across both authorities thereby supporting economic growth in general terms.

4. Key issues

4.1 The new strategy highlights the following key objectives:

- minimise red tape, focusing on getting the right supplier with the best tender in a timely fashion;
- ensure that procurement activities deliver value for money and achieve savings by reducing the cost of purchasing and the time taken to select suppliers;
- enable local suppliers, small and medium sized enterprises, and community-based providers to participate where possible;
- use the latest technology to enable faster, efficient and less bureaucratic procurement, to include, but not limited to, the use of appropriate e-Tendering tools and available electronic market places;
- increase transparency in procurement to improve accessibility for new suppliers and to ensure accountability;
- achieve value for money on a whole life basis in terms of generating benefits not only to the council but also to West Suffolk's residents, communities and businesses whilst protecting the natural environment.
- develop efficient supply chains through improving procurement approaches, increasing demand visibility and providing proactive support for suppliers in accessing public sector procurement opportunities.

4.2 The draft strategy, and a proposed consultation plan, was reviewed by Cabinet Planning at both St Edmundsbury and Forest Heath. The consultation plan, having been approved by both was put into effect with the consultation commencing on the 31 March and finishing on the 2 May.

4.3 The consultation was predicated on the draft strategy being made clearly available on both Web sites. Also a number of organisations and individuals were invited, by e-mail, to participate in the consultation. Please see **Appendix C** – Consultation Plan for details.

4.4 **Appendix B** – Consultation Replies is a schedule of the replies and any appropriate comments or actions.

4.5 Two replies have come from neighbouring authorities and both make mention of the National strategy. Although the draft acknowledges the key themes of the national Strategy it should be borne in mind that the national document is in the early stages of development and the anticipated launch of the first draft will be July 2014. The view of Officers is that, with the current drive towards aligning the Rules and practices across SEBC and FHDC it is better to continue creating the joint strategy at this time with the opportunity to review the same, if appropriate, once the national strategy has been adopted.

4.5 There is a reply from a business in which highlights concerns that officers acknowledge and have addressed in the comments.

5. Other options considered

5.1 Having considered all the replies to the consultation the view of officers is that the comments reflect the challenges that the authority knew it faced upon drafting the strategy and there is no need to revise the strategy. Further this strategy seeks to operate across both authorities, whilst taking into account the latest best practice.

6. Community impact

6.1 Crime and disorder impact (including Section 17 of the Crime and Disorder Act 1998)

6.1.1 There will be no discernable impact on crime and disorder.

6.2 Diversity and equality impact (including the findings of the Equality Impact Assessment)

6.2.1 The strategy does expect buyers and suppliers to comply with both the words and the spirit of equality and diversity legislation.

6.3 Sustainability impact (including completing a Sustainability Impact Assessment)

6.3.1 The strategy is supportive of sustainable procurement as it will save costs, reduce resource use and deliver other environmental benefits.

6.4 Other impact (any other impacts affecting this report)

6.4.1 None other than contained in the report for the earlier meeting.

7. Consultation (what consultation has been undertaken, and what were the outcomes?)

7.1 This report specifically addresses the consultation and the outcomes from that consultation.

8. Financial and resource implications (including asset management implications)

8.1 Most, if not all, the actions within the strategy will be undertaken using existing staff resources and budget provisions.

9. Risk/opportunity assessment (potential hazards or opportunities affecting corporate, service or project objectives)

Risk area	Inherent level of risk (before controls)	Controls	Residual risk (after controls)
	High/Medium/Low		High/Medium/Low
No Risks Highlighted			

10. Legal and policy implications

- 10.1 Although it is not a legal requirement for local authorities to have a procurement strategy it is recognised that in order to have a strategic overview of how councils procure services, supplies and works it is prudent to develop one.

11. Ward(s) affected

- 11.1 The strategy will affect all wards across Forest Heath and St Edmundsbury

12. Background papers

- 12.1 None

13. Documents attached

- 13.1 Appendix A – West Suffolk Procurement Strategy
Appendix B – Consultation Replies
Appendix C – Consultation Plan