#### **WILTSHIRE COUNCIL**

## CABINET 23 MARCH 2010

Subject: CORPORATE PROCUREMENT STRATEGY 2010-2013

Cabinet Member: Councillor John Noeken - Resources

### Purpose of Report

1. The purpose of this report is to seek Cabinet Approval to adopt a new Corporate Procurement Strategy for 2010-2013. Cabinet endorsement is needed to meet the requirements of the National Procurement Strategy and to ensure that the document and associated action plans are agreed and supported at an Executive level. Approval will allow the Strategy and the Action Plan to be implemented throughout the organisation from 1<sup>st</sup> April 2010. Progress in achieving the action plan will be reported to Cabinet regularly.

#### Background

- 2. Adoption of a Corporate Procurement Strategy clearly linked to strategic key documents such as the Corporate Plan, the Sustainable Community Strategy and the Joint Strategic Needs Assessment is important to ensure the Council:
  - Has a clear vision of intended outcomes for local people which shapes our commissioning and procurement based on ongoing analysis and understanding of local need;
  - Uses our procurement activity and influence to improve the customer experience, quality and value for money of our services in a transparent way;
  - Reviews the competitiveness of services and achieve value for money, while meeting wider social, economic and environmental objectives;
  - Achieves declared efficiency savings within approved timescales;
  - Regularly monitors and reports progress in meeting ambitions targets.
- 3. Executive approval of the Strategy will demonstrate the Council's ambition to achieve procurement and commissioning excellence by managing it strategically and ensuring that procurement is clearly aligned with corporate objectives.
- 4. The new Strategy defines the contribution procurement is to make to strategic objectives, including improving services, driving up efficiency and sustainable development and delivering community plan objectives.
- 5. Development of the Strategy has involved a public consultation exercise (via the Council website) and full involvement of the Overview and Scrutiny Management Committee including two reviews under the 'Rapid Scrutiny' arrangements. The final draft attached to this report has been developed from the responses received.

## Main Consideration for the Council

- 6. The purpose of the Procurement Strategy is to help the Council to achieve its vision of creating a better Wiltshire as well as the themes included in the Sustainable Community Strategy. With an annual spend of £325m on 'bought in' goods and services a robust Procurement Strategy and effective procurement arrangements will play a key role ensuring the most efficient, economic and effective use of resources in the pursuit of achieving the Council's vision.
- 7. This document sets out the Council's strategic approach to procurement. It is not intended to be a procurement manual; however, the principles contained within this strategy should be applied to all procurement activity. Consideration of this strategy is not optional and should be read in conjunction with the Contract Regulations and Procurement Guides.
- 8. Effective procurement is crucial in securing high quality, best value public services and the Government has highlighted that the development of a clear procurement strategy is a key step towards achieving Best Value and delivering the demanding efficiency targets in the latest Comprehensive Spending Review.
- 9. This Procurement Strategy also emphasises the increasing importance of Sustainable Procurement, using procurement to support wider social, economic and environmental objectives, in ways that offer real long term benefits.
- 10. Best value and efficiency targets will not be achieved if the authority fails to approach competition positively, taking full account of the opportunities for innovation and genuine partnerships which are available from working with others in the public, private and voluntary sectors. Importantly, this strategy seeks to balance two priorities:
  - delivering efficiencies and quality;
  - sustainable procurement, engaging with local and regional suppliers to promote the local economy and taking account of the social and environmental impact of spending decisions.
- 11. A mixed economy and sustainable approach to procurement also relies on developing a collaborative approach to procurement with other authorities and organisations to achieve economies of scale where appropriate.
- 12. This strategy provides a corporate focus for procurement. It embraces the authority's commitment to strategic procurement and sets out the Council's aspirations. It is not a "user manual"; more detail on procurement processes and issues will be found in the Contract Regulations and associated Procurement Guides.

#### Risk Assessment

13. The adoption of the Procurement Strategy is felt to carry no risk and each individual procurement project is required to develop a full risk register. Not adopting a Corporate Procurement Strategy would open Wiltshire Council to potential risk through non-compliance and poor service delivery.

### **Financial Implications**

14. There are no direct financial implications of approving the Corporate Procurement Strategy 2010-2013 but, the adoption of a robust Procurement Strategy will play a distinctive role in delivering efficiency savings and ensuring the most efficient, economic and effective use of resources in the delivery of services to our community.

#### Legal Implications

15. There are no direct legal implications of adopting the Corporate Procurement Strategy. Individual procurement projects consider legal implications as part of the project planning processes.

### **Environmental Impact of the Proposal**

16. Environmental assessments will be carried out as part of procurement projects. The Strategy provides the framework for achieving wider social, economic and environmental objectives through procurement activity.

#### Equality and Diversity Impact of the Proposal

17. Adoption of the Procurement Strategy will reinforce the duty to ensure that equality and cohesion is properly addressed in all procurement activity, irrespective of whether provided from within the Council or indirectly through another organisation. Consultation on the draft Procurement Strategy document has been open to all via the Wiltshire Council website.

### **Options Considered**

18. No option other than the need to draft and consult on a new Procurement Strategy for Wiltshire Council has been considered.

#### Conclusion

19. Adoption of the new Procurement Strategy will ensure that Wiltshire Council commissions and procures quality services and supplies tailored to local needs and delivers sustainable outcomes and value for money.

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# **Background Papers**

The following unpublished documents have been relied on in the preparation of this report:

Responses from consultation process.

# **Appendices**

Corporate Procurement Strategy 2010-2013