



CORPORATE PROCUREMENT & COMMISSIONING STRATEGY

BLAENAU GWENT COUNTY BOROUGH COUNCIL

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Foreword

The procurement of goods, works and services is a high value activity within the Council that has a critical impact on its performance and success. The County Borough Council spends over £100 million a year on goods, works and services.

This procurement strategy sets the framework in which the County Borough Council will work to ensure that purchasing across the County Borough Council fulfils the requirements of Best Value across all services and directly contributes to the achievement of the County Borough Council's corporate aims and objectives.

The traditional focus of local authority purchasing has been quality and price, but it is recognised that the procurement of goods, works and services has a major impact on many aspects of life in Blaenau Gwent, including the environment, social factors and economic development. Procurement issues are receiving much attention at a national level and a large body of guidance and best practice is emerging. It is critical therefore that this strategy remains a fluid document able to react to and incorporate all relevant developments.

This strategy starts to address the agenda for procurement by setting out a comprehensive action plan to further develop our policies and practices and is intended to firmly establish a programme of continuous improvement. In addition, the strategy sets out our key procurement objectives and promotes consistency of approach across what is a large and diverse organisation.

This is an ambitious strategy, which sets high standards for the County Borough Council and is one that will require action by, and commitment from, all Directorates and services.

1.0 Introduction

This is Blaenau Gwent County Borough Council's Corporate Procurement and Commissioning Strategy, which sets out:

- The link between the Council's priorities and procurement,
- The principles which underpin the Council's procurement activity,
- The Council's current procurement arrangements,
- The objectives for developing procurement within the Council,
- A 3 year medium term action plan to support the objectives,

The strategy takes account of the recommendations made by the Byatt report "Delivering Better Services for Citizens" the issues raised by the National Procurement Strategy for Local Government and the National Assembly for Wales initiatives, including "Making the Connections" and "Delivering Better Services for Wales".

1.1 Definition of procurement

Procurement is about the way in which Blaenau Gwent County Borough Council purchases goods, has work carried out and obtains services. The term "procurement" has a far broader meaning than that of purchasing, buying and commissioning.

Primarily it is about securing services and goods that best meet the needs of users and the local community in order to help achieve the Council's key priorities. It is important that procurement decisions are taken in light of the

Health, Social Care and Well-being

Working together to improve the wellbeing of all people living and working in Blaenau Gwent.

Lifelong Learning

To offer people of all ages the opportunity to engage in learning for leisure and work.

Environment

To protect and enhance the environment to meet the needs of present and future generations.

Housing

To ensure that quality affordable accommodation is available within

Contributes to the achievement of corporate, departmental and service objectives

Provides a mechanism for delivering key policy objectives, including sustainability, partnership working, equality and economic development

Operates within a complex regulatory framework that must be adhered to

Is an area of potentially high risks; with impact on service, financial and legal issues and on the reputation of the County Borough Council

Develops the role of the County Borough Council as 'community leader' particularly in relation to sustainability and local economic development.

1.3 Procurement Policy

Blaenau Gwent County Borough Council is committed to setting rigorous quality standards and robust procurement and monitoring procedures to ensure the Best Value delivery of goods, works and services from wherever they are sourced.

The County Borough Council requires all staff involved in procurement to adhere to and promote the following principles:

Every procurement exercise will be managed and led by an officer with skills appropriate to the value and risk associated with that arrangement.

Procurement activities should contribute to the implementation of the Corporate Improvement Plan and other initiatives, including:

- Sustainability
- Health and safety
- Effective partnerships
- Economic prosperity
- Equality
- Risk management and
- Electronic government

Procurement should be based upon the principles of best Value and on measurable outcomes for services to the people of Blaenau Gwent.

All statutory and legislative requirem

1.4 Structures and Accountabilities

Procurement within the County Borough Council is currently undertaken in a number of ways with there being both central and devolved elements. The central elements being the Corporate Procurement Unit (CPU) which offers advice and guidance in relation to all aspects of procurement processes and policy, and facilitates corporate arrangements for the purchase of common use goods and services on behalf of all departments and schools - The use of these arrangements is mandatory.

And the Authority's Central Supplies/Stores Function, which provides a support service to departments, assisting in the provision of goods and services via direct supply or warehousing facilities.

The devolved element being where direct expenditure is incurred in the provision of services, departments will normally make procurement arrangements for such specialist goods, works and services through their own procurement staff. The main areas of direct expenditure, which account for over half of the total external purchasing spend of the County Borough Council, are:

Construction, Maintenance, Passenger Transport and Waste (Environment Department some of which on behalf of services in other directorates)

Social Care (Social Services Department)

Energy (All Departments)

1.5 Purpose of the Procurement Strategy

The strategy will communicate the Council's vision for procurement and provide a common framework within which all procurement by the Council can be managed.

The following **procurement vision** has been developed:

"To deliver Best Value (Be) 16.6(1.2ng whe)25y 92g47-0017 8272

The Vision for Procurement

The vision for procurement and procurement systems at the Council is outlined

technology and minimising manual administration across the whole life cycle.

All the people involved directly or indirectly in procurement related activities have the necessary skills and knowledge to undertake their role. Training programmes will address skills and knowledge gaps within the organisation.

The strategy will support the Council to realise the procurement vision by ensuring that:-

1.6 Communication of the Strategy

It is important that the strategy is clearly communicated and available to all stakeholders. The strategy will be circulated to all key stakeholders, including Council staff and suppliers in the private and voluntary sectors. In order to facilitate this, use of the Council's internet and intranet will be made to communicate the strategy.

1.7 PROCUREMENT PRINCIPLES

Key Principles

Social, economic and environmental wellbeing

All major procurements shall recognise the impact on the social, economic and environmental wellbeing within the Council area. These factors should be considered and adequately addressed in specifications and throughout the delivery of a contract.

Mixed economy of suppliers

The Council aims to encourage a mixed range of local suppliers to compete for contracts, in order to help develop a varied and competitive market place. This includes working with local small/medium sized firms and the voluntary and community sectors to enable them to compete for Council contracts. It also involves working with suppliers to deliver community benefits in a way that is consistent with best value and compliant with procurement law.

Diversity & Equality

The Council aims to deliver contracts in a way, which is non-discriminatory and promotes equality of opportunity to all. This includes promoting race equality through proposals for ensuring key suppliers and contractors have equal opportunities in place, and that the needs of minority groups are considered in the preparation of relevant specifications.

Contract Packaging

All major procurements shall have due regard to the issue of sustainability and early decisions shall be taken to ensure that projects are packaged to encourage delivery in the most efficient manner and achieve what end users want and can afford.

The Council will seek to optimise its spending power by identifying opportunities to purchase its requirements through arrangements with other partners, examples such as the collaborative arrangements via the Welsh Purchasing Consortium and Value Wales (Procurement).

Professional standards and best practice

All procurement procedures shall be operated in a professional manner and ensure the highest standards of transparency, probity and accountability. Procurement will comply with all UK and EC procurement legislation. This also includes compliance with Council's standing orders, financial regulations, relevant codes of practice and Member and Officer Codes of Conduct.

Continuous Improvement

Where contracts are going to run for a number of years, the contract should be sufficiently flexible to provide for continuous improvement throughout the period of the contract

Workforce matters

Any procurement that potentially involves the transfer of staff who are currently employees of the Council shall, as far as legally possible, fully protect the future terms and conditions of employment of such staff so that they continue to enjoy the good employment practices of the Council. Procurement of services will take into account any code of practice issued by Government relating to the handling of workforce matters in local authority service contracts.

Electronic Procurement

The Council will develop appropriate electronic solutions to achieve efficiencies, reduce transaction costs and meet Government targets.

1.8 PROCUREMENT ARRANGEMENTS

This part of the document provides information on:

- How procurement is currently organised in the Council
- How much the Council spends on procurement
- How it is spent
- Which services spend the money

Procurement Organisation

Procurement of goods, services and works are regulated by standing orders and financial regulations. These requirements are translated by Services into specific instructions and notes to provide guidance to staff who make procurement decisions.

The Council has a Corporate Procurement Unit (CPU) within the Resources Directorate. The CPU team provides procurement advice and guidance to Services and manages the procurement process for a wide range of goods and services. Some examples include Computer Equipment; Office Products and

stationery; Building and Road Materials; Vehicles and Plant; Fuel and Energy; Agency Recruitment and Design and Print Services.

In addition, the Authority also operates a separate Supplies and stores function, which supports all internal clients with the sourcing and ordering of goods either via direct supply or from internal stock.

Specific areas of procurement are also undertaken independently by Services.

1.9 Procurement Organisational Change

The Procurement Strategy represents an ambitious enhancement to the Council's procurement function. The achievement of the strategy's priorities will require consideration to be given to possible organisational changes to support the delivery of the strategy. The Council's dedicated procurement team comprises 4 employees and as such the capacity to develop and gain the benefits from effective procurement would be limited if this were to be regarded as the Authority's procurement capacity.

For example, the current capacity of the team inhibits focus on areas such as supplier management; quality management; training and achieving best value through the procurement process. The success in moving forward these strategic areas will be through establishing a strong Procurement capacity within the authority, that is across the whole Authority which would not only make the most of capacity but would also create an informed and inclusive procurement environment.

The key starting point in establishing a strong Procurement Organisation is to build on the existing network of staff already involved in the procurement process. This would involve establishing a team of individuals from across all Services, who can be trained in the concepts of procurement and can act as a "Nominated Procurement Advisor" (NPA's) for their particular Service. The respective NPA's would remain service based but would have responsibility for ensuring consistent methods of procurement, supplier management and best practice are adopted across the Council. The NPA's will ideally be currently involved in the procurement process and would be provided with appropriate training and support.

The key responsibilities of the Procurement Organisation would be as follows:

- Supplier Relationships
- Policies and Procedures
- Supplier Performance
- Strategic Sourcing
- Performance Measurement
- Training and cross service collaboration

