

Report to Cabinet

28 September 2023

By the Cabinet Member for Finance and Resources

DECISION REQUIRED



**Horsham
District
Council**

Not Exempt

Shared Procurement Service – Joint Procurement Strategy 2024 - 2030

Executive Summary

The attached Joint Procurement Strategy 2024 – 2030 sets out the approach to procurement for Crawley Borough Council and Horsham, Mid Sussex and Mole Valley District Councils, who form the Shared Procurement Service.

The strategy details how the councils will use procurement to deliver the four councils' corporate policy objectives and comply with appropriate legislative requirements over the next six years.

The strategy will be adopted concurrently across each of the four councils and this report seeks approval and adoption of the strategy by Horsham District Council.

Recommendations

That the Cabinet is recommended:

- i) to adopt the Shared Procurement Service Joint Procurement Strategy 2024 – 2030, as attached

Reasons for Recommendations

The spend across the four councils is over £100m and is crucial to the way we deliver our core and discretionary services to our local communities. How the councils' source and deliver these services has a direct impact on the ways in which local people, communities and businesses judge the value that we provide and the quality of outcomes that we achieve.

To ensure the Council has an up-to-date procurement strategy. The Joint Procurement Strategy establishes the Council's approach to buying these goods, works and services in a legally compliant and cost-effective way, whilst meeting sustainability and social value outcomes.

Background Papers - Shared Procurement Service – Joint Procurement Strategy 2024 – 2030

Wards affected: All

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Background Information

1 Introduction and background

- 1.1 The last Joint Procurement Strategy expired in 2016 and had been due to be updated in 2020 however this was put on hold due to Covid. Since then the procurement landscape has changed significantly and Mole Valley District Council has joined the Shared Procurement Service.
- 1.2 The current economic climate is quite volatile and therefore it is felt that it would be prudent to put a procurement strategy in place as soon as possible. Through the adoption of the strategy we are aiming to effectively address issues caused by rising prices, struggling local and small businesses, increasing council savings targets and declared climate emergency.
- 1.3 Through an effective procurement strategy we can focus our limited resources and small team to improve commercial relationships with suppliers, upskill our supply chains, identify opportunities for savings and collaboration and introduce sustainability and social value outcomes, as well as ensuring compliance with procurement legislation.
- 1.4 The Government is looking to put a new Procurement Act into force in October 2024. The procurement strategy will set the local objectives for the four councils, which will sit alongside the national legislation.
- 1.5 The Joint Procurement Strategy is aligned with the National Procurement Strategy for Local Government in England 2022.

Relevant Council policy

- 2.1 The Procurement Strategy links with Horsham District Council's Climate Change Action Strategy and the Sustainable Procurement Charter.
- 2.2 The Strategy is aligned with the council's Procurement Code which sits alongside the council's Constitution.

3 Details

- 3.1 The Joint Procurement Strategy's vision for 2024 – 2030 is to help deliver the councils' strategic priorities through the management of the councils' c£100m pa spend through market engagement, procurement and effective contract and relationship management.
- 3.2 The strategy sets out what the Shared Procurement Service is looking to achieve:
 - Embed commercial, innovation and sustainable principles into our procurement processes;
 - Maintain sound governance, transparency, accountability and probity in our operational processes;

- Ensure procurement processes are carried out in accordance with all relevant procurement legislation, government guidance and case law;
- Work effectively with delivery partners including local business, voluntary and community groups to shape and inform our thinking and grow our local economy. We will engage with local and SME suppliers to ensure they are supported to be able to work with the councils;
- Use digital technologies to improve processes, procedures, access to our services and engagement with local businesses;
- Make the most of our people, further increasing their knowledge and skills on all aspects of procurement, contract and relationship management;
- Ensure that we further develop our existing Procurement Team through training and professional development to ensure that we are in a position to implement latest procurement thought;

3.3 The strategy sets out the key areas that the Shared Procurement Service will focus on:

1. Obtaining social value, sustainability and addressing the climate emergency – *aligns with the Council's Climate Change Action Strategy, the Sustainable Procurement Charter and the Public Services (Social Value) Act 2012*
2. Prioritise local, regional and SME spend – *aligns with the National Procurement Policy Statement 2021 around stimulating local economy*
3. Making procurement accessible – *aims to assist officers and smaller suppliers to be able to do business with the council and remove bureaucracy wherever possible by 'levelling the playing field'*
4. Being commercial, innovative and adding value – *aligns with the councils' medium term financial strategies and legal duty under section 3 of Local Government Act 1999 to obtain 'best value'*
5. Strengthening contract and risk management -*aims to ensure that we obtain the best possible outcomes through active and agile contract and risk management; aligns with recommendations from Contract Management Audit*

4 Next steps

- 4.1 Adoption of Joint Procurement Strategy at each of the four councils.
- 4.2 Publication of the new strategy on each of the council's websites.
- 4.3 Active promotion of the strategy by the Shared Procurement Service through internal and external communications and forming part of the procurement training sessions planned for Autumn / Winter 2023.

5 Views of the Policy Development Advisory Group and Outcome of Consultations

- 5.1 The Finance and Resources Policy Development Advisory Group considered the matter at their meeting on 18 September 2023.

- 5.2 The Director of Resources is a member of the Joint Procurement Board, which has responsibility for the Shared Procurement Service, is fully supportive of the approach and the implementation of the strategy.

6 Other courses of action considered but rejected

- 6.1 None.

7 Resource consequences

- 7.1 There are no direct financial implications although it is possible that the implementation of the strategy could result in savings achieved.

8 Legal considerations and implications

- 8.1 The Council has the power to adopt a procurement strategy.
- 8.2 The Procurement and Legal Teams will work together to ensure that any required revisions to procurement and associated legal documentation are incorporated as a result of the adoption of the said strategy.

9 Risk assessment

- 9.1 There are no risks associated with the implementation of the strategy.

10 Procurement implications

- 10.1 The strategy complies with Procurement legislation and the council's Procurement Code and has been written by the Procurement Manager.

11. Equalities and Human Rights implications / Public Sector Equality Duty

- 11.1 There are no particular impacts on any specific protected groups and therefore an Equalities Impact Assessment is not required.
- 11.2 The strategy references duties under the Equality Act 2010 which need to be taken into consideration in any procurement process.

12 Environmental implications

- 12.1 There are no direct environmental implications associated with the implementation of the strategy. One of the strategy aims is to ensure that sustainability and carbon reduction is incorporated into procurement decision making.
- 12.2 The strategy is aligned with the council's Climate Change Action Strategy and the Sustainable Procurement Charter.

13 Other considerations

13.1 The strategy has taken several pieces of legislation into consideration such as the Local Government Transparency Code 2015, Data Protection legislation and the Modern Slavery Act 2015, for example.