

Agenda Item 23.

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| TITLE | Procurement Strategy |
| FOR CONSIDERATION BY | The Executive on Thursday, 29 July 2021 |
| WARD | None Specific; |
| LEAD OFFICER | Deputy Chief Executive - Graham Ebers |
| LEAD MEMBER | Executive Member for Finance and Housing - John Kaiser |

PURPOSE OF REPORT (INC STRATEGIC OUTCOMES)

This report is to allow the adoption of a Procurement Strategy in accordance with the use of best practice and following recommendations from the recent CIPFA review.

RECOMMENDATION

That the Executive:

- 1) agree the adoption of the Procurement Strategy attached at Appendix 1 to the report;
- 2) delegate to the Chief Finance Officer authority to revise and update the Strategy as required to ensure legislative compliance and delivery of best practice in procurement and commissioning.

EXECUTIVE SUMMARY

Best practice is that the Council should adopt and maintain an appropriate Procurement Strategy.

Appendix 1 is the strategy proposed for adoption.

Background

During December last year, the Deputy Chief Executive, supported by the AD Finance commissioned CIPFA to carry out a review of procurement, contract management and commissioning across the Council. The outcome of the review led to an action plan for improvement being developed; one of the key actions was that the Council develop, adopt and maintain a Procurement Strategy.

A Procurement Strategy has been developed in consultation with CLT, based on the best-practice template provided by CIPFA drawn from their own knowledge and studies of best practice across a number of other local authorities. **The new strategy is attached at Appendix 1.**

The proposed Strategy is intended to enable the Council to continue its relentless pursuit of value for money through becoming more cost-effective, delivering efficiency targets and the better achievement of quality outcomes by approaching competition in its procurement and commissioning positively and managing its contracts proactively for the benefit of residents and on a sound commercial basis.

The strategy will also allow the Council to take full considerations of the opportunities for innovation and genuine partnerships that are available from working with others in the public, private and VCSE sectors, whilst reinforcing the social value and equality aims of the Council and supporting its ability to deliver on its declared climate emergency initiative.

The Strategy will also introduce a governance structure through a Strategic Procurement Board that will provide challenge to all procurements to ensure that best value and quality is achieved and also monitor the in-service management of major contracts; this will also inform the Council's Procurement Regulations and supporting policies and documentation.

A secondary contract management support and learning working group will also be established to provide support and guidance to contract managers, share best practice around contract management and draw on any lessons learned from procurements of major contracts.

In order to deliver the required outcomes of this Strategy there will be a requirement to implement changes and improvements to our ways of working and ensure that close partnerships exist within the services and teams across the Council.

FINANCIAL IMPLICATIONS OF THE RECOMMENDATION

The Council faces severe funding pressures, particularly in the face of the COVID-19 crisis. It is therefore imperative that Council resources are focused on the vulnerable and on its highest priorities.

| | How much will it Cost/ (Save) | Is there sufficient funding – if not quantify the Shortfall | Revenue or Capital? |
|---------------------------------|---|--|---------------------|
| Current Financial Year (Year 1) | No direct savings or costs- see other financial information | State Yes or No and provide further explanation as appropriate | |
| Next Financial Year (Year 2) | As above | Yes or No | |

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|-----------------------------------|----------|-----------|--|
| Following Financial Year (Year 3) | As above | Yes or No | |
|-----------------------------------|----------|-----------|--|

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| <p>Other Financial Information</p> <p>Best practice in procurement and contract management as outlined in this strategy will enable services to achieve efficient and effective contracting within their own budgets and will support their individual efficiency targets.</p> <p>Cost reduction and efficiency targets may not be achieved if the Council fails to approach competition positively.</p> |
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| <p>Stakeholder Considerations and Consultation</p> <p>This is an internal strategy and has been agreed by Corporate Leadership Team</p> |
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| <p>Public Sector Equality Duty</p> <p>The strategy recommends that Equalities is a mandatory assessment in all procurements.</p> |
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| <p>Climate Emergency – <i>This Council has declared a climate emergency and is committed to playing as full a role as possible – leading by example as well as by exhortation – in achieving a carbon neutral Wokingham Borough by 2030</i></p> <p>The strategy recommends that Climate Emergency considerations are a relevant assessment in all procurements</p> |
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| <p>List of Background Papers</p> <p>Appendix 1 – Procurement Strategy</p> |
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| <p>Contact Bob Watson</p> <p>Telephone Tel: 07801 664389</p> | <p>Service Business Services</p> <p>Email bob.watson@wokingham.gov.uk</p> |
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