

NOTTINGHAMSHIRE COUNTY COUNCIL

PROCUREMENT STRATEGY 2019 – 2023

1.0 FOREWORD - By Cllr Richard Jackson, Chairman Finance and Major Contracts Management Committee.

Spending approximately £620 million each year in goods and services, the importance of effective procurement, underpinned by commissioning has never been greater for local councils. The long-term challenge for local government finances remains considerable. Councils continue to face a significant gap and there remains uncertainty over a long-term funding solution to social care which makes up one-third of Council's spend. At a time when resources are drastically reducing there are increases in the cost of delivering services due to rising demand and inflationary pressures. Making the best use of our resources, finding greater efficiencies and improving productivity is vital to deliver better outcomes for local people and continue to protect services.

This means as a council we need to use our spending power wisely and strategically to ensure that we support the economic, social and environmental wellbeing of our residents and communities. We need our procurement service to maximise the value of our procurement spend, support the council in becoming a more commercially focussed organisation and harness and drive innovation in our commissioning decisions and through our supply chains. This strategy acknowledges the key role that procurement will continue to play in enabling the Council to meet these challenges and outlines our vision and priorities for the next four years.

Against this backdrop, the Council needs to think differently as to how it provides services to its local communities. The Council must provide the best possible outcomes for its residents, improve the place we live and deliver value for money. Procurement has a critical role in helping to deliver these services in a manner that secures the appropriate balance between cost effectiveness, quality and sustainability. Procurement service will ensure that the Council continues to work in partnership and collaboration with commissioners and our key partners to realise joint benefits, supporting the local economy and providing opportunities for businesses to engage with the Council.

The Council has clear ambitions, as set out in the Council Plan 'Your Nottinghamshire Your Future' 2017-2021, for Nottinghamshire to be the best place it can be for us all. It strives to be an efficient and high performing council delivering value for money. We are an ambitious local authority committed to delivering better outcomes for people in Nottinghamshire and better value for money for the taxpayer. In embracing these challenges, we will ensure we have robust frameworks for commissioning, procurement, performance and contract management to support transform and enhance public services .

2. INTRODUCTION

The Council must provide the best possible services for local people, improve the place in which we live and deliver good value for money. Our Council Plan “Your Nottinghamshire Your Future” sets out an ambitious vision for the future of Nottinghamshire in which the county is at the forefront of modern Britain. As a Council we provide a diverse range of services, to protect and shape the environment in which we live, and to create the right conditions for a strong local economy.

The Council plan is built on five core values, one of which is to ‘spend money wisely’. Procurement has an important role in the delivery of value for money services and in doing so we need to ensure we align to the Council’s priorities and values. Ensuring we make money go further will be essential in order to protect our many valuable services. Procurement will support the delivery of the Council plan and we will make the best use of the authority’s resources and encourage a more commercial approach across the Council, adopting creative and innovative ways of working that deliver value for your money.

Launching our new Procurement Strategy, is not only about compliance but reflects our learning since the last strategy and the key themes reflect our strategic plan priorities and the financial resources available to the council. The strategy has been developed through diagnostic exercise with managers who procure at all levels of the organisation and complements our strategies for adults, children and place. It outlines how the Council will continue its procurement journey and sets out the future framework and approach to strategic commissioning, procurement and contract management over the next four years.

Our objective is to work to the following six principles which will underpin all procurement activity at Nottinghamshire County Council.

- Place Nottinghamshire residents at the centre of all commissioning and procurement decisions
- Drive best value for public money
- Commercially focused procurement and sourcing aligned with strategic, business and operational plans, and operating a competitive approach in line with internal and external regulations
- Compliance with procurement legislation and the key principles of equal treatment, transparency and proportionality
- Innovation in Performance Management to ensure we are getting the most from all our commissioning and contracting arrangements
- Enhance Sustainability – environmental, economic and social for the ongoing well-being of the people of Nottinghamshire

2.1 Supporting the Council Plan

This procurement strategy cuts across all aspects of the Council's Strategic Plan and will be integral to the overall success of the Council in achieving its strategic aims. The table below highlights the commitment from Procurement in supporting the delivery of the vision.

| Council Plan Vision Statements | Commitment |
|--|---|
| A great place to bring up your family | To ensure that we put local people at the heart of everything we do through all our commissioning, procurement and contract management activity |
| A great place to fulfil your ambition | We will work in partnership with our partners and the supply market to drive social value outcomes through our procured services. |
| A great place to enjoy your later life | The Council continues to see rising demand for many of its services and Procurement will work with commissioning leads to build contracts that models service delivery that is focused on outcomes for those accessing the services. We will ensure that procured services are targeted to meet the needs of the most vulnerable groups, engaging communities in the planning and delivery of services. |
| A great place to start and grow your business | We will work with suppliers to foster creativity and innovation whilst delivering good quality, value for money services. |

The Procurement service is an enabling function that supports the Council to be effective, provide value for money, support local business and achieve social value to meet the needs of Nottinghamshire's residents and businesses. This strategy sets out the vision and direction for commissioning activity across the council and how we will achieve this over the next four years as well as establishing the principles and framework which will underpin all our commissioning decisions. The aim of this strategy is to ensure procurement activities are undertaken efficiently and economically whilst contributing to the realisation of the economic, social and environmental benefits for the County, and aligning with the strategic aims and objectives of the Council's plan.

Our Procurement Vision

"To work together with colleagues, partners, local residents and suppliers to develop imaginative Commissioning, Procurement and Contract Management solutions that bring quality, value for money goods and services for the residents of Nottinghamshire and which also aim to deliver broader economic social and environmental outcomes"

2.2 A Commissioning-led Approach

Our aim is to ensure a robust and consistent approach is adopted for all our commissioning activity, whilst ensuring commissioning, procurement and contract management are a core and integrated proposition. It is important that all our customers, citizens, suppliers and staff understand what commissioning and procurement mean.

Commissioning: is the process of ensuring that outcomes identified in the council's needs analysis are delivered through the right service and with the right models of delivery, whether that be through public, private or other sectors, the voluntary service sector, or through social enterprises.

Procurement is the process of acquiring goods, works and services, covering acquisition from both third parties and in-house providers. The process spans the whole life cycle from identification of needs, through to the end of a works or services contract or the end of the useful life of an asset. It involves early stakeholder engagement; assessing the impact on relationships and linkages with services internally and externally; options appraisal and the critical 'make or buy' decision; and determining the appropriate procurement strategy and route to market.

Procurement is embedded within a broader commissioning framework where whole systems of support are reviewed ensuring that emerging needs, best practice, market analysis and available resources are taken into full account when developing procurement strategies. The benefits of using a commissioning framework include:

- Goods and services procured are based on a thorough understanding of need
- Better outcomes for citizens, in particular for those who are most vulnerable
- The way outcomes are delivered are transformed, underpinning long-term sustainability

Commissioning & Procurement the relationship

Commissioning & Procurement are not mutually exclusive. The procurement function is designed to support and deliver the commissioners intentions in a legal and compliant manner. Whilst the procurement function sits centrally within the council, and commissioning sits within departments it is key that we develop and maintain strategic links to commissioners to ensure procurement activities are undertaken efficiently and economically to implement outcome-based contracts. The Council's Category Management approach to procurement brings together the expertise from commissioning and procurement across the Council to identify the most appropriate and effective approach to delivering required outcomes.

Commissioning Framework

The commissioning framework below shows the various stages of commissioning and the typical activities we will undertake to ensure that our services remain fit for purpose and delivering best outcomes throughout.



Corporately, the Council is committed to adopting a structured corporate framework for commissioning. The commissioning framework creates a 'blueprint' for our commissioning approach and outlines the stages and components required for effective commissioning including: an evidence-based needs analysis to understand the local residents' requirements, establishing clear outcomes and priorities that we are seeking to achieve, using these outputs to develop clear commissioning strategies and then putting clear intentions and plans in place.

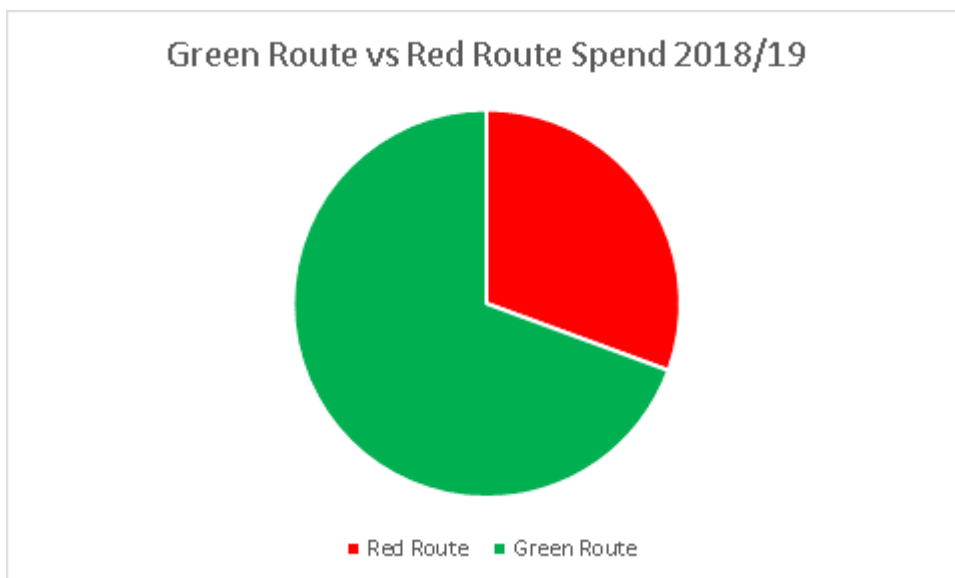
3.0 PROCUREMENT JOURNEY SO FAR

The Nottinghamshire County Council Procurement Strategy 2015 – 2018 established an ambitious programme to transform procurement through the adoption of Category Management to improve procurement performance across the Council. This has resulted in a step change in the way in which procurement is managed across the Council. Our achievements include:

- The successful implementation of category management across all the Council's third-party spend. Nottinghamshire now has category managers aligned to each department ensuring the strategic sourcing conversation taking place with commissioners at the start of any spend decisions.

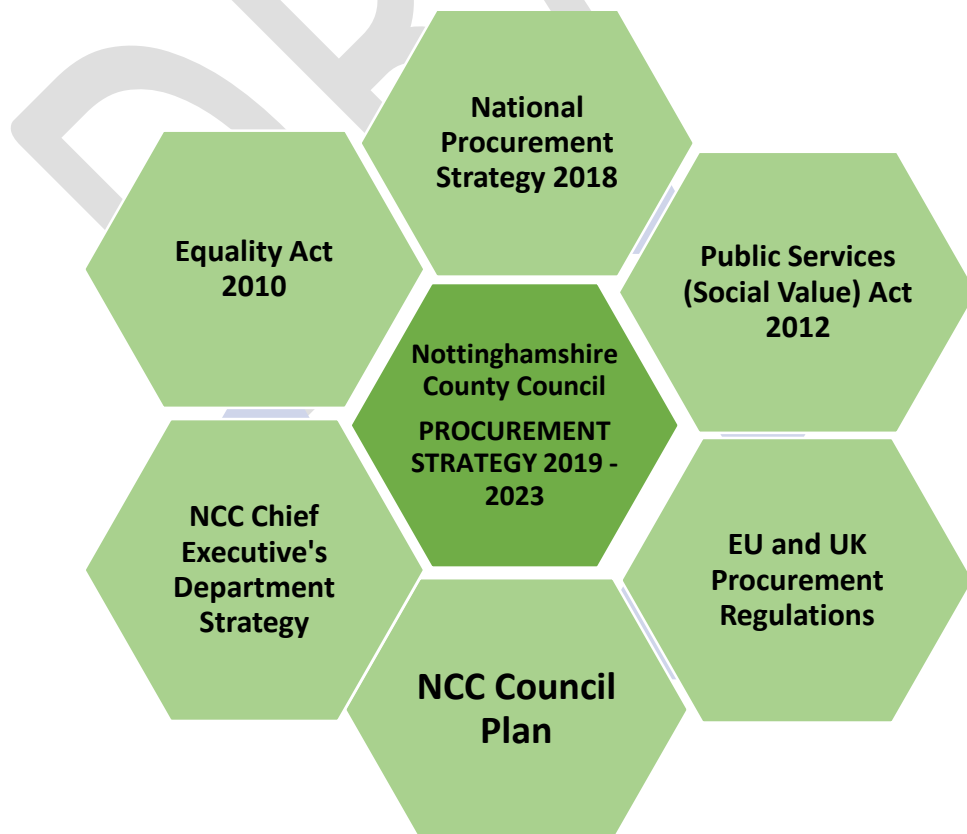
- Introducing electronic tendering by making full use of e-tendering portal Pro-Contract to embed e-procurement across the end to end procurement process. Across the East Midlands, Nottinghamshire is one of the few authorities that is using the e-procurement portal for its end to end procurement processes thereby delivering efficient procurement practice.
- Actively participate in collaborations with other contracting authorities and lead collaborative procurements to drive greater savings. A key example of this being the D2N2 (Derbyshire County, Derby City, Nottinghamshire County and Nottingham City Councils) collaboration for Children in Care Framework. Further Children's Social Care procurements are planned in the pipeline.
- Supporting Small, Medium Enterprises (SMEs) by running workshops and webinars for local suppliers on how to bid for council contracts. Nottinghamshire has a very good relationship with the Chamber of Commerce and together we have successfully hosted and sponsored events for Third Sector and SME organisations to break down barriers to public contracting.
- Opening our frameworks to generate income for Nottinghamshire County Council. The Council has been very successful with this initiative with recent examples including the managed print framework and Wide Area Network (WAN) contracts being used by partners and stakeholders.
- Creating Dynamic Purchasing Solutions (DPS) to ensure compliant purchasing decisions. DPS's have been very successful at the Council providing the flexibility for local suppliers to enter the market and enabling commissioners to have a variety of suppliers in the market place. The Council has successfully implemented DPS's across all our categories of spend. DPS's have been successful in driving forward off-contract spend of personal social care services. The Council's work on this has been recognised as best practice in a recent LGA report.
- Information governance compliance with all NCC's third party suppliers and our contractual arrangements compliant with GDPR regulations. For example, over 95% of our contracts with third party suppliers were amended appropriately to comply with the new GDPR regulations.
- A significant increase in compliance with procurement and finance regulations. Between 2018-19, Procurement team undertook 900 procurements, awarded 1372 contracts, of which over 1100 were to SME and Third Sector suppliers. Purchase orders are managed through Green and Red orders. Green orders are those which are raised with the Procurement Centre's pre-arranged agreements or contracted

suppliers. Red orders are those that do not have approved suppliers or contracts in place. Over the last three years, compliance with procurement regulations has improved with more and more orders being processed through Green route. This is evident in the chart below.



4.0 STRATEGIC CONTEXT AND PURPOSE

There are several national and local policy drivers that influence how the Council's procurement function is structured. These are outlined in the diagram below.



The Local Government Association launched the new *National Procurement Strategy* in February 2018 which focuses on leadership, commercial behavior and achieving community benefits. This sets out the vision for local government procurement and signifies the strongest statement from local government that procurement is critical to deliver maximum benefits locally for council spending and in delivering on social value. The Public Services (*Social Value*) Act 2012 places a requirement on the Council to consider how what is being procured may improve the economic, environmental and social well-being of Nottinghamshire. The *EU Public Contracts Directive 2014* and *UK Public Contracts Regulations 2015* provides the legal framework obliging us to operate in a fair, open and transparent way. It is recognised, following the UK's decision to leave the European Union that the controls and standards surrounding procurement may change during the period the Strategy covers.

In accordance with Equality Act 2010, and Public Sector Equality Duty, we will encourage our suppliers to support our commitment to equality, fairness and transparency; to be responsive to the needs of our communities; to meet the diverse needs of all users to ensure no one group is disadvantaged and to commit to developing a diverse and inclusive workforce. All providers with whom we contract for services are required to have sound equality policies and procedures in place which ban discrimination/bullying, provide diversity training for their staff which is inclusive of all the protected characteristics as defined by the Equality Act 2010 and revise their policies regularly.

5.0 SETTING THE DIRECTION FOR PROCUREMENT

The Procurement Strategy focuses on three key strategic priorities:



Priority 1: Ensure Best Value

What is our ambition?

To ensure value of money and efficiency through its procurement activity. In Nottinghamshire, we will attain value for money in terms of both cost and quality.

Key Actions to achieve our ambition

- Continue to manage and organise all our procurement activities using category management to ensure effective prioritisation and co-ordination of resources across the Council
- Ensure that Finance Regulations reflect developments in procurement legislation and provide a robust framework to support the spending of Council money
- Continue to deliver and identify savings and efficiencies whilst ensuring strategic objectives are delivered cost effectively
- Provide commercial acumen to Service Departments to assist with key projects and to identify improved commissioning and procurement opportunities
- Encourage early engagement of the Procurement team with commissioners in strategic decision-making to maximise savings and service quality outcomes
- Work actively with staff across the Council to drive and encourage innovation where it can reduce the cost and / or improve the effectiveness of Council services.
- Consider best practice through regional and national benchmarking
- Collaboration across public, private and third sector to drive innovation, greater value and high quality of goods and services.

Measuring our success

- % spend with local suppliers
- % Spend with SMEs

The current baseline spend is approximately 55%. Our aim is to make improvements in the data collection and therefore baseline the target at 50%.

Priority 2: Maximise Social Value

What is our ambition?

In delivering this strategy, our ambition is to realise meaningful social value from the contracts we set and obtain added value from Council spend by delivering the best outcomes for local people and deliver place based ambitions.

Key Actions to achieve our ambition

- Create employment and training opportunities through our contracts
- Increase the Nottinghamshire pound, to ensure every pound we spend, we try and retain as much of it in Nottinghamshire as possible
- Encourage a strong and diverse local market made up with voluntary, community organisations and SMEs who want to do business with NCC
- Maximise value from our key suppliers through Supplier Relationship Management (SRM) - the discipline of strategically planning for, and managing, all interactions with third party organisations that supply goods and/or services to NCC to maximise the value of those interactions. In practice, it will entail creating closer, more collaborative relationships with key suppliers to uncover and realise new value and reduce risk.
- Embed local supply chain opportunities into our procurement activities
- A commitment to increase spend in local economy within the financial regulations' framework
- Work with partners such as the East Midlands Chamber of Commerce to support local businesses and SMEs to access public sector opportunities.

Measuring our success

- No. or % of employment / training opportunities secured through contracts awarded, in particular those from disadvantaged groups.
- No. or % of contracts with measures to secure environmental benefits (e.g. recycling, CO2 reduction, waste diverted from landfill)

At present social value indicators are not measured in this way and are more project specific. We will move towards targeted and proportionate measures in all contracts, where applicable.

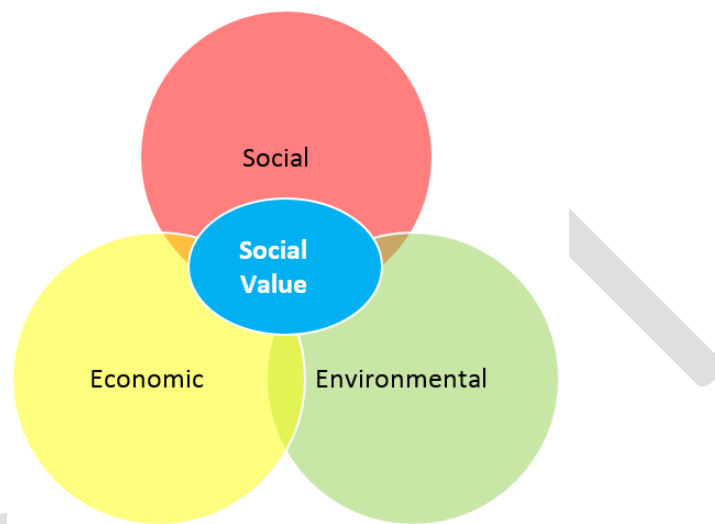
Defining Social Value for Nottinghamshire

The Public Services (Social Value) Act 2012 came into force on 31st January 2013. Local authorities and other public bodies have a legal obligation to consider the social good that could come from the procurement of outcomes, before they embark upon it. The aim of the Act is not to alter the commissioning and procurement processes, but to ensure that, as part of these processes, councils consider the wider impact of the services delivered. The Social Value Act places a requirement on the Council to consider how what is being procured may improve the economic, environmental and social well-being of Nottinghamshire.

The Council has adopted the definition of Social Value as set out by the Sustainable Procurement Taskforce. Social Value is defined as:

A process whereby organisations meet their needs for good, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society and economy, whilst minimising damage to the environment.

Social value outcomes fall under these ‘three pillars of sustainability’ are set out in the diagram below.



Economic: this outcome covers how NCC will support and grow the local economy. Local spend will be defined as:

“the value of contracts awarded to organisations that operate principally within the boundaries of the County of Nottinghamshire”

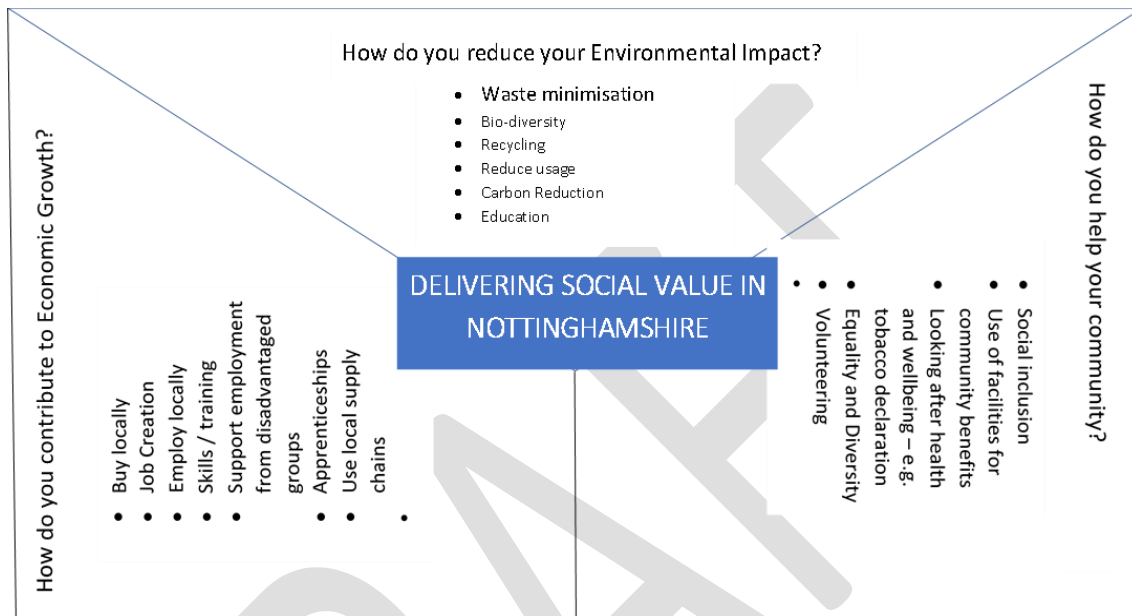
Social: this outcome explores how social and community benefits are delivered for the residents of Nottinghamshire through our procurement

Environmental: this outcome relates to the contribution and extent to which we are reducing the Council and the community’s negative impact on the environment.

At Nottinghamshire County Council we are committed to protecting and enhancing the environment for present and future generations reducing the environmental impact of purchasing goods, works and services. Including environmental considerations in our procurement evaluations is through environmental considerations in our procurement processes and contracts, and by raising staff awareness will help embed this into all procurements that we undertake.

Environmental considerations are consistent with our need to demonstrate best value, by seeking to achieve the optimum combination of 'whole life' costs and benefits to meet the County Council's needs.

Our social value themes will enable us to maximise the opportunities for economic, social and environmental considerations to be addressed at all stages of the commissioning and procurement cycle. This is summarised in the tool below.



Outcomes are not necessarily confined to a single pillar of sustainability, they may be social, economic and/or environmental. Where these distinctions overlap several cross-cutting outcomes may be created.

Priority 3: Enhance Leadership

What is our ambition?

Procurement is an enabler to use best practice approaches to deliver the needs of improved outcomes. Our vision is that we will be creative and work in new ways to become a true enabling partner to Council departments and proactively helping to deliver Department and Council priorities as a whole.

Key Actions to achieve our ambition

We will deliver enhanced leadership through:

- **Market Management** - We recognise that effective management of strategic supplier relationships can deliver a range of benefits. We will undertake pre-market engagement, develop existing supplier relationships and engage with suppliers. Develop category strategies to ensure that demand is fully understood (including future requirements) and

work with commissioners to ensure that market analysis and supplier engagement is undertaken to establish the capabilities of the supply chain.

We will adopt a strengthened commercial approach to better analyse market intelligence and leverage the knowledge and capability of providers to co-design services in such a way that innovation can be met, increasing the availability of mature markets for when we procure. We will also work with commissioners and suppliers to drive strategic procurement decisions in shaping the market and developing detailed category plans

- **Management Information** - Good procurement and commercial decision making relies on having excellent management information. We will improve expenditure analysis of the Council's third party spend and demonstrate impact of procurement and contract management activities through detailed dashboards.
- **Excellence in category management** - Category Manager's close working relationship with commissioning colleagues is critical. They will develop a new flexible operating model based on better engagement with their customers and more effective planning of procurement activity that leads to corporate frameworks within which each department that maps their future procurement activity and develops one to three-year plans against which resources can be allocated and performance measured

We will provide support, guidance and challenge to our commissioners in developing specifications and managing the contracts that we let. Providing the commercial challenge to commissioning intentions, we will help in their design and managing continuous improvement programmes with key suppliers to deliver on-going cost reductions, service enhancements and innovation.

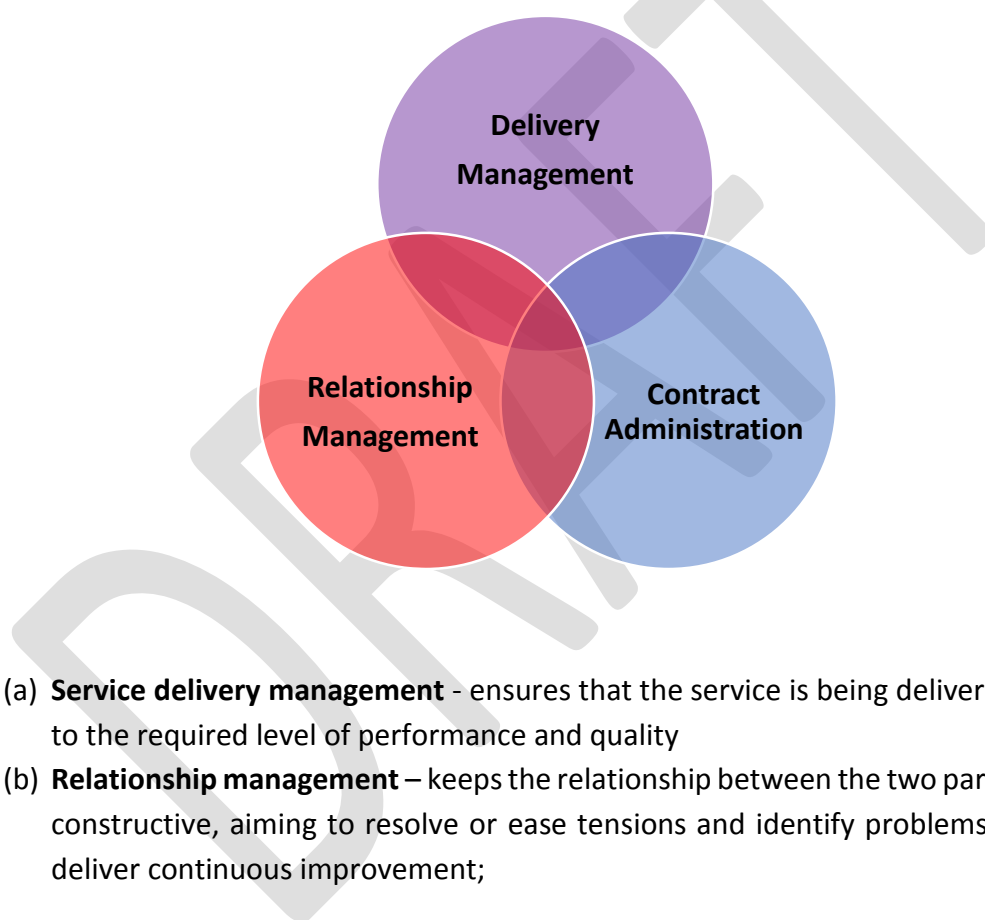
To deliver an integrated Procurement and Commissioning model we will take a Business Partner approach through Category Management to reach a point where all or a very high percentage of the Council's spend within a category is being channelled through approved arrangements, aligned with strategic priorities. The desired outcome is to buy more strategically, be more innovative and enable all purchasers/commissioners to get the most out of the market and suppliers.

To achieve this will require strong working relationships with our commissioning colleagues and a high degree of effectiveness to increase the delivery of sustainable value, an increase in compliance to procurement contracts and processes. Category Managers will develop a new flexible operating model based on better engagement and more effective planning of procurement activity. The involvement of procurement at the

earliest phase of a project will deliver greater commercial and social benefits to Nottinghamshire.

- **Contract Management** - There is a growing recognition of the need to automate and improve contractual processes. The need to satisfy increasing compliance and analytical requirements has also led to an increase in the adoption of more formal and structured contract management procedures and an increase in the availability of software applications designed to address these issues.

Contract management encompasses three key areas – service delivery management, relationship management and contract administration as shown in the diagram below.



- (a) **Service delivery management** - ensures that the service is being delivered as agreed, to the required level of performance and quality
- (b) **Relationship management** – keeps the relationship between the two parties open and constructive, aiming to resolve or ease tensions and identify problems early and to deliver continuous improvement;
- (c) **Contract administration** – handles the formal governance of the contract and changes to the contract documentation.

The development of sound contract management processes and support from the Procurement Centre will enable a consistent corporate approach to contract management is embedded into the Council through;

- using clear and robust evaluation criteria;
- monitoring and reviewing contract management performance within the Council;
- identifying risks which exist in the performance of contracts;

- monitoring expenditure of supplier spend on an annual basis

We will work with our supplier chain to ensure that both parties are delivering against the commitments within contracts and build upon mutual experience and knowledge to embed continuous improvement practices throughout the contracted period. We will work with commissioners to ensure the development of effective Key Performance Indicators for all contracts. We will implement contract management guidance across the Council to ensure that all contracts across the Council are managed to a consistent standard and on a risk basis.

- **Best practice in e-procurement**

e-Procurement is integral to the overall development of procurement processes and involves the use of an electronic system/s to acquire and pay for supplies, services and works. The Council has invested in an e-procurement tool which offers e-Sourcing, e-Auction, Contract Management and Spend Analysis solutions to assist in alleviating the pressures faced by procurement professionals when purchasing and managing supplier relationships

The deployment of the Business Management Systems (BMS) has enabled many operational tasks in the Procure-to-Pay cycle to become self-service. The role of the Procurement Centre is to provide advice and oversight of the effectiveness of this process, as well as authorise certain aspects such as the addition of new vendors and (in conjunction with Finance) advise on the approval of contract waivers from Financial Regulations.

By further utilising e-procurement we aim to: reduce transaction costs; make processes more efficient; improve management information and visibility of third party spend; increase control and consistency of processes and improve spend compliance.

Measuring our success

- Documented supplier performance against KPIs and targets to identify ongoing improvements in contract management
- A comprehensive and up to date contracts register with a list of all contract managers
- Reduction in off contract spend
- % of procurement administered through the e-tendering portal.

6.0 DELIVERING THE VISION

The procurement service offers a wide range of expertise that will support the Place, Chief Executive, Children and Families, Adult Social Care and Public Health departments to deliver their priorities. Taking an integrated approach to working alongside commissioners in supporting the identification of service needs, the procurement team can help shape markets to deliver requirements and maximise the benefits from the Council's buying power, whilst ensuring that we get what we pay for, through effective contract management.

Key enablers:

The Council recognises four key enablers that will be critical to delivery of this strategy – People, Technology, Planning & Performance and Culture.

People:

The Council will continue to develop our talent to ensure that the Procurement Team has the right mix of skills, knowledge and expertise.

Technology:

The Council will exploit digital technology and e-procurement solutions to underpin and simplify our core processes for both staff and suppliers.

Planning and Performance:

The Council will produce accurate and timely data to inform procurement decisions.

Procurement service will produce an annual procurement plan for all procurement activity for the Council

Culture:

The Council will enable innovation and embed change to improve procurement and contract management practice in the Council and deliver economic, social and community benefits.

Effective People and Leadership:

The Council aims to attract, retain and motivate high-quality, skilled procurement and commercial professionals and create ongoing opportunities for development; investing in training and coaching so that our staff become a source of capability and capacity to meet the council's current and future needs

Our Category Managers will need to have good skills in strategic thinking with commercial acumen, procurement and contract management expertise. They will need to be good relationship managers with the ability to influence, have good communication skills, and be credible with stakeholders and suppliers. They will know their supply markets, cost drivers and understand the regulatory environment in which they work.

Measure and monitor our performance:

A clear approach to achieving our goals needs to be embedded through a clear understanding of what actions are required, by when, by who and their outcomes. To monitor our progress, we will work aim to work to the following targets and performance measures:

| Strategic Theme | Targets | 2020/21 | 2021/22 | 2022/23 |
|---------------------------|--|---------|---------|---------|
| Best Value | % spend with local suppliers (of total contracts awarded) | 50% | 55% | 60% |
| | % Spend with SMEs | 50% | 55% | 60% |
| Social Value | No. or % of contracts with measures to secure environmental benefits (e.g. recycling, CO2 reduction, waste diverted from landfill) | TBC | TBC | TBC |
| | No. or % of employment / training opportunities secured through contracts awarded, those from disadvantaged groups. | TBC | TBC | TBC |
| Enhance Leadership | Reduction in off contract spend | 1% | 2% | 2% |
| | % Procurements gone through e-tendering system (of procurements conducted that year) | 95% | 95% | 95% |
| | Number of contracts retendered on time | 90% | 90% | 90% |

Building on the achievements of the last strategy, and with a strong vision to deliver the key priorities as outlined in this strategy, the Council will also:

- Ensure its procurement delivery plan is monitored and challenged through the Council's Finance and Major Contracts Management Committee.
- Maintain a Council wide procurement plan of all procurement projects to improve how we manage and deliver these projects
- Ensure its procurement policies and procedures are regularly reviewed and kept up to date
- Continue to report on procurement performance and compliance to the Finance and Major Contracts Management Committee through an annual procurement plan and quarterly category updates.

Useful Links

Nottinghamshire County Council Procurement website -

<https://www.nottinghamshire.gov.uk/business-community/doing-business-with-us/doing-business-with-us>

Contract opportunities

- East Midlands Tenders www.eastmidtenders.org
- Contracts Finder www.gov.uk/contracts-finder
- Source Nottinghamshire www.sourcenottinghamshire.co.uk

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Appendix 1 - Mapping Procurement Priorities to the Council Plan aims:

Outlined below are actions the procurement centre will take to deliver the specific commitments in the Council Plan.

| Council Plan Aims | Nottinghamshire's Procurement Strategy Strategic Priorities | Key activities |
|---|---|---|
| Put local people at the heart of everything we do | Deliver Social Value | Understand our people and reflecting this in our procurement plans |
| Spend money wisely | Ensure Best Value | Drive innovation through our commissioning solutions |
| Be creative and work in new ways | Enhance Leadership and Ensure Best Value | We will work with suppliers to foster creativity and innovation whilst delivering value for money |
| Stand up for local people | Deliver Social Value | We will work with suppliers to foster creativity and innovation whilst delivering value for money |
| Empower people and support their independence | Deliver Social Value Enhance leadership | Training, support and leadership for all |

Appendix 2 - PROCUREMENT DELIVERY PLAN

The delivery of this Strategy will be managed through a Delivery Plan with progress reported on an annual basis to the Finance and Major Contracts Management Committee.

| Theme | Key Steps | Lead | Timescale |
|---|--|--|--------------------------|
| Processes | Develop one procurement plan for all NCC procurement activity for the year | Group Manager and Category Leads | April 2020 |
| | Develop a standardised category plan to report to Committee at quarterly intervals | Group Manager and Category Leads | April 2020 |
| Performance Management – establish a performance framework to demonstrate and monitor implementation and impact of the procurement strategy | Develop a mechanism to identify, measure and monitor social value within procurements | Procurement (with support from performance team) | November 2019 |
| | Develop and implement performance dashboards for all categories. | Procurement (with support from performance team) | April 2020 |
| | Complete spend analysis by category to identify key categories of third party spend and have a clear category management strategy in place | Policy and Strategy Officer | April 2020 |
| Contract Management – to ensure best value and effective from the supply chain | Develop and implement a corporate approach to contract management to include revised contract management guidance | Group Manager | Commence in October 2019 |

| | | | |
|---|---|-----------------------------|--------------|
| | and a contract management framework to include a toolkit of standardised templates/processes. This will ensure consistency, performance and raise the standard of contract management across the Council. | | |
| | Update our central Contracts Register to enable better forward planning and reporting | Procurement team | January 2020 |
| Supplier Relationships – Make use of local and SME suppliers, where appropriate, to deliver local economic growth | Work with local partners such as Chamber of Commerce to deliver local events to ensure local and SME providers are aware of the tendering opportunities at the Council | Group Manager | Ongoing |
| | Finalise the updated and improved procurement webpages on the internet so that they are more accessible and easier to navigate for potential suppliers | Policy and Strategy Officer | January 2020 |
| | Engage with suppliers to raise awareness of economic, environmental and social well- | Procurement team | Ongoing |

| | | | |
|------------|---|---|--------------------|
| | being requirements which will need to be factored into future contracts as appropriate. | | |
| Leadership | Following a skills analysis exercise, develop a staff training and development plan | Group Manager | December 2019 |
| | Develop an eLearning module to provide all current and new Council staff with an understanding of procurement and contract management | Group Manager (with support from HR/L&D Team) | April 2020 onwards |

Appendix 3 - GLOSSARY

| | |
|----------------------------------|---|
| Business Management System (BMS) | A centralised computer system that holds information about the Finance, Human Resources |
| Category Management | A 'Category' is an area of spend determined by known market boundaries separating different products, services or industries. Category management recognises that suppliers within a certain market are likely to have similarities which enable a tailored approach to procurement. |
| Category Manager | The Officer authorised by the Council's Director of Corporate Resources to manage the procurement of a category or categories of goods, services and/or works. Category Managers work with commissioners on strategic plans for future procurement needs |
| Contract Management | Is the management of contracts made with customers, vendors, partners, or employees? The personnel involved in Contract Administration required to negotiate, support and manage effective contracts are expensive to train and retain. Contract management includes negotiating the terms and conditions in contracts and ensuring compliance with the terms and conditions, as well as documenting and agreeing on any changes or amendments that may arise during its implementation or execution. It can be summarised as the process of systematically and efficiently managing contract creation, execution, and analysis for maximising financial and operational performance and minimising risk. |
| Council Policies | Council policies, procedures, guidance and strategies designed to ensure high standards are maintained at all time |
| Equality Act 2010 | Equality Act 2010 legally protects people with protected characteristics (age, gender, disability, race, religion or belief, pregnancy and maternity, sexual orientation, gender reassignment, marriage or civil partnership) from discrimination, harassment and victimisation |

| | |
|--|---|
| European Union Public Procurement Legislation -Public Contracts Regulations 2006 | Public procurement law regulates the purchasing by public sector bodies and certain utility sector bodies of contracts for goods, works or services. The law is designed to open the EU's public procurement market to competition, to prevent "buy national" policies and to promote the free movement of goods and services. |
| Meet the Buyer | Open forums for the local supply market to meet the buyers of the Council and to ask questions about up and coming contracting opportunities |
| Public Sector Equality Duty | <p>It requires all public bodies to have due regard to the need to:</p> <p>Eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Act.</p> <p>Advance equality of opportunity between people who share a protected characteristic and people who do not share it, and Foster good relations between people who share a protected characteristic and people who do not share it.</p> |
| Public Services (Social Value) Act 2012 | <p>An Act to require public authorities to have regard to economic, social and environmental well-being in connection with public services contracts; and for connected purposes. From 31 January 2013, local authorities have had to consider the operative</p> <p>provisions of the Act when considering procurements of certain types of service contracts and framework agreements.</p> |
| Small to Medium Size Enterprises (SMEs) | Companies employing 250 employees or less. |
| Sustainable Procurement | Sustainable procurement is a process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis, in terms of generating benefits not only to the organisation, but also to society and the economy, while minimising damage to the environment |
| Value for Money (VFM) | Value for money is not about achieving the lowest initial price: it is defined as the optimum combination of whole life costs and quality |