

14 October 2019

Agenda Item: 6

**REPORT OF SERVICE DIRECTOR – FINANCE, INFRASTRUCTURE AND
IMPROVEMENT**

**NOTTINGHAMSHIRE COUNTY COUNCIL PROCUREMENT STRATEGY 2019-
2023**

Purpose of the Report

1. The purpose of this report is to seek any feedback and improvements of the proposed Procurement Strategy 2019-2023.

Information

2. The Procurement Strategy 2019-23 sets out the framework for the procurement of all goods, works and services and outlines how procurement will use the Council's spending power to pursue our key objectives.
3. The Procurement Strategy 2019-23 builds on the work already undertaken in the first strategy that was implemented in 2015, which focused on strategic procurement development, integration between Procurement and Commissioning and implementation of category management.
4. The earlier strategy has driven strong achievements in procurement with successful delivery of procurement practice across Council departments. In Public Health, the competitive dialogue process has been used with great success to demonstrate collaborative working with commissioners to engage in a competitive dialogue with potential bidders. The process enabled the department to develop a comprehensive service specification with a successful contract award. Both commissioner and providers have been complimentary on the procurement process undertaken. With the introduction of Dynamic Purchasing Systems (DPS) this has had the effect of reducing the number of Adult Social Care spot contracts that were in place. The biggest advantage to a DPS is that the application process is always open and therefore increasing capacity and competition by adding additional suppliers. This has significantly reduced off-contract spend and been recognised as best practice in a recent Local Government Association (LGA) report.
5. In Children's department, the Council has been successful in engaging procurement activity across the Derbyshire, Derby City, Nottinghamshire and Nottingham City (D2N2) Partnership

for the development of a framework for Children's Residential Placement. Our procurement team has led the successful procurement on behalf of all four authorities, with over 50 providers applying to join the framework with a total spend of £500m over the life of the contract.

6. Across Place and Chief Executive's Departments, the procurement team have been very successful in opening our frameworks to generate income for the Council. Recent examples include the managed print framework solution which is being used by partners and stakeholders.
7. The review and refresh of the Strategy has provided an opportunity to take stock of the current strategic landscape. The 2019-2023 Strategy has been developed with reference to current and emerging policies and strategic drivers.
8. The new strategy will drive the delivery of social value for Nottinghamshire by outlining how we will address economic, social and environmental considerations. The key strategic drivers are:
 - 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
9. The strategy will support compliance with the legal and procedural requirements of EU and UK Procurement Regulations and the Council's Financial Regulations, through ensuring a fair, open and transparent procurement process to ensure a level playing field for all suppliers.
10. The strategy has been developed through widespread consultation across the Council, including representatives from all service directorates, legal services and the equalities team. Consultation has been undertaken with stakeholders including the voluntary and community sector and the local Chamber of Commerce. Feedback received through the consultation was considered in finalising the proposed strategy.
11. Progress across all our key strategic drivers and outcomes of procurement activity will be monitored and reported through the Finance and Major Contracts Management Committee on an annual basis.

Other Options Considered

12. Do nothing, this option was rejected as the current Procurement Strategy 2015-18 had expired and a refreshed strategy is needed to set out the strategic direction and approach for all procurement and commissioning activity.

Reason/s for Recommendation/s

13. To ensure the effective delivery of procurement services; to develop strategic Procurement solutions that deliver quality outcomes, value for money goods and services for the people of Nottinghamshire, as well as delivering broader economic, social and environmental outcomes.

Statutory and Policy Implications

14. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

RECOMMENDATION/S

- 1) To seek any feedback and improvements from members.
- 2) To endorse the revised Nottinghamshire County Council Procurement Strategy 2019-2023 (attached as an Appendix) and recommend the draft strategy to Policy Committee for approval.

Nigel Stevenson

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For any enquiries about this report please contact:

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Constitutional Comments (EP 20/09/19)

15. The recommendation falls within the remit of the of the Finance and Major Contracts Management Committee by virtue of its terms of reference

Financial Comments (KP – 20/09/2019)

16. This report concerns the overall Procurement Strategy and as such there are no direct financial implications. Information on procurement performance is provided to Finance & Major Contracts Management Committee on a quarterly basis.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

Electoral Division(s) and Member(s) Affected

- All