

Procurement Strategy

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Procurement Strategy

A. Introduction

Barrow-in-Furness is a port town in the borough of Barrow-in-Furness in Cumbria, and whilst being one of England's smallest Boroughs it boasts 274 listed buildings and 4 Sites of Special Scientific Interest.

B. Council Vision, Values and Priorities

Our Council Plan 2020 – 2024 outlines our Vision and Values and 3 clear Priorities and required actions to deliver better lives for the people of Barrow.

- **Priority 1: People – Enabling residents to live happy, healthy productive lives.**

Develop procurement strategies that focus on delivering Social Value, equality and good working conditions for employees

- **Priority 2: Place – Creating a great place to live**

Develop strategies to consider the environmental implications in procurement activity

- **Priority 3 – Supporting our economy to thrive to ensure a long-term economic future for all our community.**

Develop procurement practices that promote market engagement and spend with local companies.

Barrow Borough Council is a member of the **Morecambe Bay Anchor Collaborative**, and has signed up to the Morecambe Bay Anchor Charter. By working with other anchor institutions in the collaboration, the Morecambe Bay Anchor Collaborative will make a difference to local people by:

- Widen access to quality work
- Purchase and commissioning for social benefit
- Use buildings and spaces to support communities
- Reduce environmental impact
- Work closely with local partners
- Reduce inequalities

In addition to boosting economic growth and supporting a healthy population, health and care organisations, along with other Anchor Institutions have the potential to create the conditions needed to help tackle inequalities.

This procurement strategy will support the delivery of these priorities, and outlines how we will promote procurement objectives to deliver the vision and values.

C. What is procurement?

Procurement is the process of acquiring supplies, services and works. It includes acquisition from third parties and in-house providers. The process spans the full procurement cycle from identifying the need, through to the end of a contract or the end of useful life of an asset and lessons learnt. It involves early stakeholder engagement, assessing impact on relationships and linkages with services internally and externally, options appraisals and the critical 'make or buy' decision whilst determining the appropriate procurement strategy and route to market.¹ Procurement is therefore much wider than simply purchasing, and through the effective implementation of our procurement strategy we will be able to demonstrate the added value that procurement can bring.

D. Why is Procurement Important?

Local Government currently has a total revenue budget of £44billion² per annum. Therefore the procurement activity that buys in supplies and services is critical to ensuring that best value is being obtained.

- Public procurement is about improving the delivery and cost effectiveness of quality public services to citizens
- Procurement can be a mechanism to challenge current service arrangements and find new models for service delivery
- Savings realised through better procurement can be channelled back into priority services
- Procurement can achieve additional added value benefits to residents through effective use of supply chains
- Ensures that we deliver best value
- Our professionalism and planning can help prevent financial loss to the Council and support our services and reputation

E. Why do we have a Procurement Strategy?

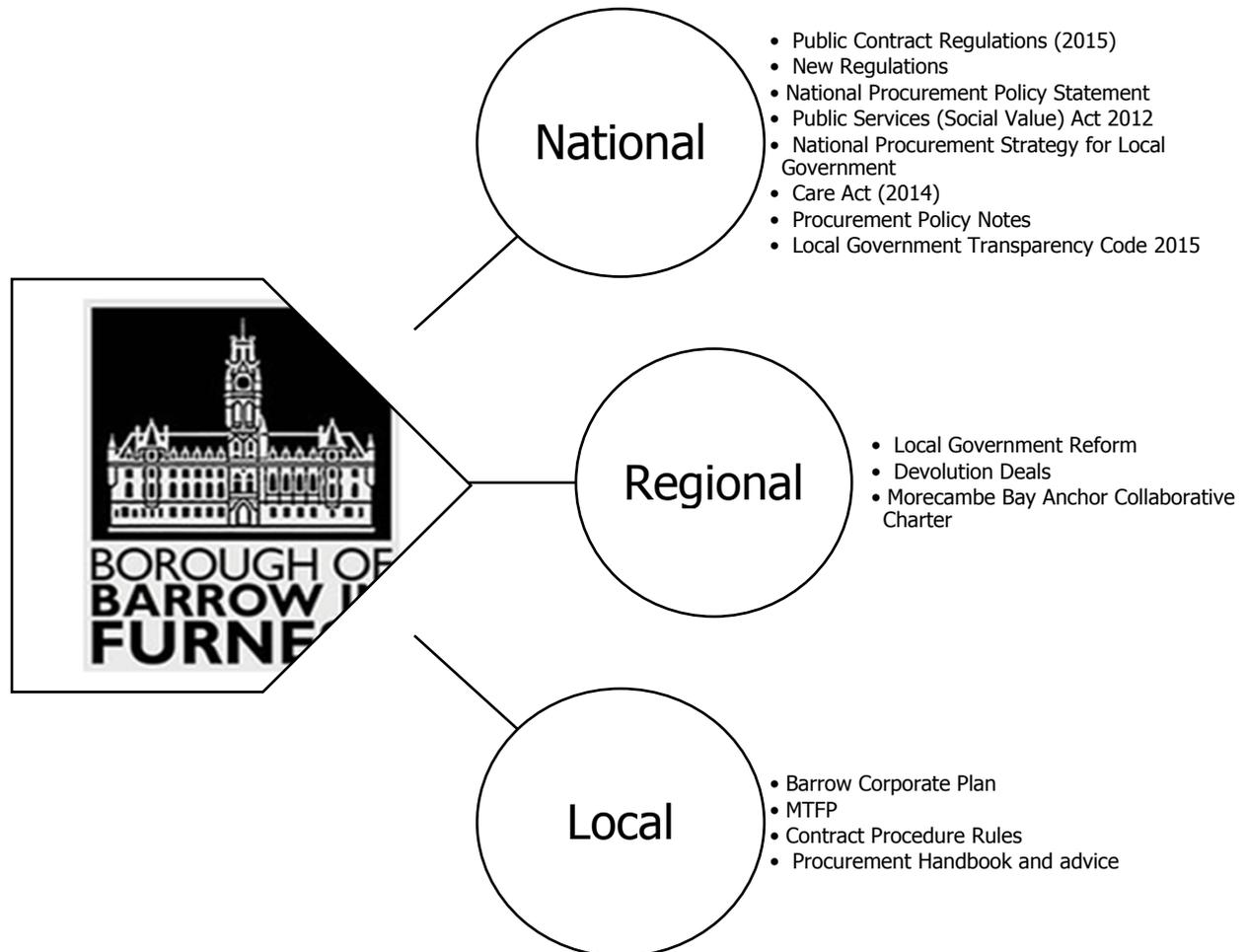
Our Procurement Strategy sets out our strategic approach to procurement activity. It is not intended to be an operational guide to procurement; however the objectives should be applied to all our procurement activity.

¹ National Procurement Strategy for Local Government, 2014

² Core spending power: final local government finance settlement 2017 to 2018

F. Strategic Influence

There is a wealth of national, regional and local strategies and legislation that influences our procurement activity. The diagram below is not exhaustive but gives an indication of the strategic context in which we operate.

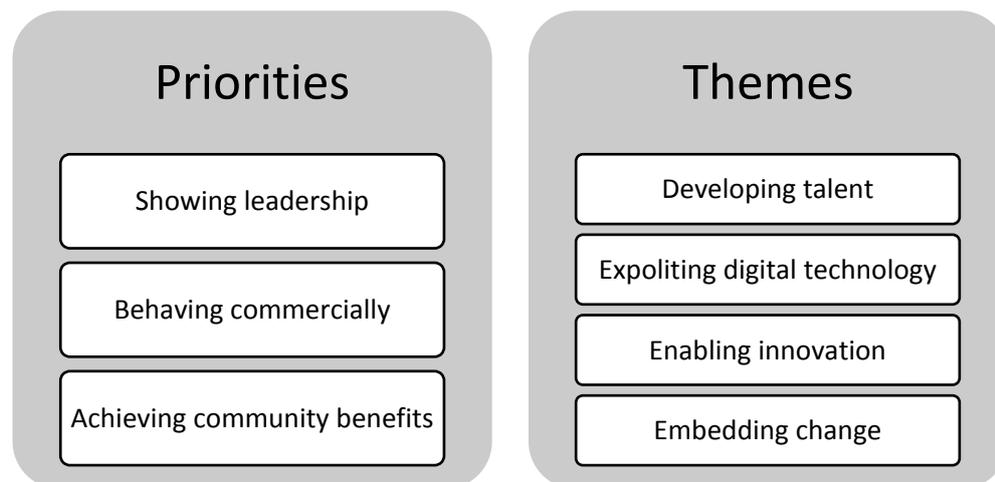


In this complex and multi-layered context, our Procurement Strategy is designed to provide clarity as to how we will embed the strategic context into our procurement activity.

It will provide a consistent approach to procurement and practical guidance to buyers and suppliers as to how we deliver effective procurement activity.

G. Council Strategy

The LGA launched the National Procurement Strategy for Local Government in England (NPS) in February 2018 after extensive consultation and engagement. These priorities and themes have been identified by local Councils themselves as being necessary for successful delivery of procurement in key areas. These have therefore been adopted by Barrow Borough Council as our key priorities and themes for procurement.



H. Priorities

Showing Leadership

We aim to continue to champion procurement and collaboration to support the significant changes on the horizon including Local Government Reform and new Regulations. We will use our skills and expertise to develop our added value and ensure that we promote the importance of strategic procurement to share and support wider partners on their journey.

We will maximise the opportunities presented by Local Government Reorganisation. We will collaborate across our wider Partners to effectively deliver a wider range of outcomes across Cumbria and through our anchor partners in the Morecambe Bay Anchor Collaborative Charter. We value the fact that we are stronger together.

Behaving Commercially

We will behave commercially and deliver value for money to ensure we maximise the outcomes for Barrow and our wider community. There is no one way to deliver savings or reduce costs; so we will deploy a wide range of approaches to ensure we get the maximum possible value for the money spent by the Council.

We will drive efficiencies by adopting a collaborative and planned approach to procurement, contract review and contract management.

We will strive to make efficiencies in our service provision. This will be delivered by working collaboratively across our new partners under Local Government Reorganisation, driving economies of scale and increasing efficiencies.

Achieving Community Benefits

Our key activity in this area will be to identify and strengthen our local and SME spend. There are a number of activities we will put in place to give local suppliers and Small to Medium Enterprises (SME) the best possible opportunity to supply and provide services to us. We will ensure that collaboration still supports our communities through the effective use of strategies and through active engagement with our suppliers.

We will embrace Social Value to ensure that all of the businesses we contract with are supporting our local communities and adding value beyond their contractual requirement. We will also ensure that we champion Social Value in all that we do.

As a member of the Morecambe Bay Anchor Collaborative Charter we are committed to Social Value and through actions under Domain two we will develop and implement plans to shift more spend locally and embed social value into purchasing decisions. Social Value will also be used to deliver domain four on reducing environmental impact.

I. Themes

Developing Talent

We will continue to develop our procurement capabilities throughout the Council. We will have an effective training programme and will continue to promote Continuous Professional Development. We will review opportunities to develop new skills and bring in additional expertise to strengthen our approach. This will be supported by the work we undertake as part of the Morecambe Bay Anchor Collaborative Charter.

Exploiting Digital Technology

We will also look to strengthen and maximise the use of our e-tendering platform, [The Chest](#). We recognise that one size does not fit all, and we will therefore continue to engage face to face with our stakeholders through events, drop in sessions, meet the buyer engagement, and training.

There is a wealth of procurement and spend data available to inform decisions and approach. Through robust data analysis we can ensure that we manage, plan, monitor, and report on procurement activity. We can use the data to inform our strategic procurement and collaborative approach.

Enabling Innovation

Procurement is rarely “black and white”, therefore we adopt a measured and risk managed approach to ensure that we do not stifle innovation and creativity.

We will maximise the opportunities for innovation that will be presented through the new Regulations. We will ensure that we provide an appropriate amount of structure, whilst allowing for flexibility and agility of approach based around risk first, but ensuring simplicity and speed to market.

Embedding Change

Although a relatively small procurement team, we recognise the importance of procurement to achieve our Corporate Objectives and the Morecambe Bay Anchor Collaborative Charter. We will ensure that procurement is a priority and is viewed as a vehicle for change.

J. Our Success

As with any strategy it will be important to measure progress against targets and measures to enable our success to be monitored and reported. However, this needs to be designed in a way that ensures robustness and transparency without being overly bureaucratic and burdensome.

- The **LGA Benchmarking** exercise provides a useful baseline position from which to monitor and manage the success. This has been undertaken in 2021 and will be repeated on an annual basis to support our continuous improvement approach and to ensure compliance with the new national Procurement Policy Statement requirements on benchmarking.
- **Performance management data** will be developed and reported to the Senior Management Team at least annually. This will include metrics such as savings, social value and compliance.
- Regular **Feedback** from internal and external stakeholders will be collated so the procurement process can be adapted and continuously improved.
- **Case studies** will be developed to demonstrate the successes made through procurement, including qualitative and quantitative data. These case studies will also help to promote the benefits of procurement, and encourage more proactive engagement.

Where can I get more information?

For further information please contact the Procurement Officer.