

Implementation of the Devon Districts Procurement Strategy 2015-18

Report to: **Executive**

Date: **10 March 2016**

Title: **Implementation of the Devon Districts Procurement Strategy 2015-18**

Portfolio Area: **Corporate Procurement**

Wards Affected: **Which Wards/all**

Relevant Scrutiny Committee: N/A

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: N/A

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Recommendations:

1. To **RECOMMEND** to Council to formally adopt the Devon Districts Procurement Strategy 2015-18 and implement the contents therein.

1. Executive summary

1.1 The District Authorities of East Devon District Council, Exeter City Council, Mid Devon District Council, North Devon District Council, South Hams District Council, Teignbridge District Council, Torridge District Council and West Devon Borough Council have been working collaboratively on the delivery of a Devon Districts Procurement Strategy since 2010.

1.2 This report proposes the formal adoption of the Devon Districts Procurement Strategy 2015-18 as set out in Appendix A to this report.

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2. Background

- 2.1 The District Authorities of East Devon District Council, Exeter City Council, Mid Devon District Council, North Devon District Council, South Hams District Council, Teignbridge District Council, Torridge District Council and West Devon Borough Council have been working collaboratively on the delivery of a Devon Districts Procurement Strategy (the "Strategy") since 2010 when the first Strategy was introduced. This ran until 2013 after which time the Devon Districts agreed to review the successes of previous strategy with a view to decide the route forward.
- 2.2 Some of the districts decided to adopt it alongside their own authority specific strategy whilst others, West Devon included, took it as their only strategic document and used it to feed into their own Procurement Work Plan or Improvement Plan which supported the specific Authority's corporate objectives.
- 2.3 Performance against the Procurement Improvement Plan agreed was monitored by the Districts, but on reflection it was felt that many of the performance indicators were too specific and with each authority having different corporate objectives, they were not all able to achieve the targets which had been set. As such it was agreed to set a new strategy that addressed these issues.
- 2.4 Whilst the Districts were planning to write a new strategy the Local Government Association ("LGA") announced that it would put in place a new National Procurement Strategy ("NPS"), which was formally published in 2014 and this new District strategy seeks to align with those themes which have been set out within the NPS.
- 2.5 The timing of the completion of the Strategy coincided with a change to the legislative landscape within which public procurement is set. The UK government published the Public Contracts Regulations on the 26th February 2016 and this Strategy gives due regard to that legislation. Also considered is the Equality Act, Social Value Act and the Transparency code which have come into force since the last strategy.
- 2.6 The economic environment, both nationally and locally, continues to require us to focus on obtaining value for money and 'doing more for less'. Although the Strategy is specific to the District Authorities, they will continue to work collaboratively with other members of the Devon and Cornwall Procurement Partnership¹ (the

¹ The Devon and Cornwall Procurement Partnership is comprised of procurement colleagues from a wide range of public sector bodies within the regions of Devon and Cornwall to include the Devon District Authorities, the Devon Unitary

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“Partnership”) to deliver the strategic objectives of the Partnership and to maximise the benefits of all partners spend with external suppliers.

3. Outcomes / outputs

3.1 The District Authorities of East Devon District Council, Exeter City Council, Mid Devon District Council, North Devon District Council, South Hams District Council, Teignbridge District Council, Torrington District Council and West Devon Borough Council have been working collaboratively on the delivery of a Devon Districts Procurement Strategy

3.2 The five key themes contained within the Strategy are:

1. Making savings/ Addressing Financial Pressures
2. Supporting Local Economies
3. Leadership
4. Modernising Procurement
5. Collaboration.

3.3 The District Authorities have implemented a work-plan, which breaks each of the headings down in to deliverables and targets to be achieved in the period 2015 – 18 and which each Authority is responsible for implementing and monitoring. The work plan is set out in Appendix B to this report.

3.4 The District Authorities have met quarterly during the first year of the Strategy to update the work-plan with their achievements and will continue to meet on a less frequent basis once the Strategy is fully embedded within their organisations. The purpose of these meetings will be to review progress and agree any additional actions.

Authorities, Devon County Council, Cornwall County Council, Devon and Cornwall Police, Devon and Somerset Fire and Rescue Service, the Met Office and the Dartmoor National Park (this list is not exhaustive).

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4. Options available and consideration of risk

- 4.1 Alternatives to the adoption of the Strategy are to agree a South Hams District Council specific procurement strategy or a joint South Hams District Council and West Devon Borough Council procurement strategy although there would be a negative impact on the Corporate Procurement Officer in so doing, as this is work additional to the current workload that has not been planned for.
- 4.2 Furthermore, the Corporate Procurement Officer is a shared officer between South Hams District Council, West Devon Borough Council and Teignbridge District Council and this would necessitate the adoption of different strategies across different authorities for whom the Officer currently works, which would inevitably increase the overall workload.
- 4.3 It is important to note that Corporate Procurement is currently under-resourced such that a South Hams-specific strategy would be some time in the making and would put the Authority behind its District neighbours.

5. Proposed Way Forward

- 5.1 It is proposed that South Hams District Council adopt the Strategy alongside its neighbouring Devon District authorities.
- 5.2 The Strategy supports the 'Our Plan' objective of 'Our Economy' as it seeks to work better with our suppliers and support our local economy through a range of measures including providing greater access to our contract opportunities, giving due regard to social, community and environmental value in our contracts and streamlining and simplifying the procurement process where possible.
- 5.3 The Authority has already been able to evidence that it is working towards or has achieved a large proportion of the Strategy since it was completed in 2015, which is a positive message that can be explained to the business community. Formally adopting the Strategy will help to solidify the Authority's position on this.

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6. Implications

| Implications | Relevant to proposals Y/N | Details and proposed measures to address |
|--|---------------------------|---|
| Legal/Governance | Y | The Strategy sets out its approach to meeting the Public Contracts Regulations 2015 and other relevant procurement legislation. |
| Financial | Y | There are no financial implications arising from the Strategy besides the salary costs associated with the Corporate Procurement Officer and other Officers across the Council in meeting it. These costs are already factored in to the budget and are therefore not additional to it. |
| Risk | Y | As the Strategy aligns to the NPS there is a reputational risk of not adopting the Strategy and therefore the LGA's recommendations in relation to the future of procurement. |
| Comprehensive Impact Assessment Implications | | |
| Equality and Diversity | N | Not applicable. |
| Safeguarding | N | Not applicable. |
| Community Safety, Crime and Disorder | N | Not applicable. |
| Health, Safety and Wellbeing | N | Not applicable. |
| Other implications | N | |

Supporting Information

Appendices:

Appendix A - Devon Districts Procurement Strategy 2015-18

Appendix B - Devon Districts Strategy Work Plan

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Approval and clearance of report

| Process checklist | Completed |
|--|------------------|
| Portfolio Holder briefed | Yes |
| SLT Rep briefed | Yes |
| Relevant Exec Director sign off (draft) | Yes |
| Data protection issues considered | Yes |
| If exempt information, public (part 1) report also drafted. (Committee/Scrutiny) | N/A |