



**NORTH
NORFOLK
DISTRICT
COUNCIL**

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PROCUREMENT STRATEGY

JULY 2021 TO MAY 2025

Introduction

What is meant by Procurement?

'Procurement is the process by which we obtain goods, services and works to enable the Council to deliver its priorities as outlined through the Corporate Plan, but this is more than just purchasing. The procurement process covers the full life cycle of activities starting with the identification of needs, through to evaluation, purchasing and contract management. Procurement can range from purchasing day to day commodities to purchasing key strategic items such as large capital assets or commissioning a service or buying an entire service.'

Put more simply, procurement is about putting into place robust and commercially effective contracts, in a legally compliant way, for the provision of externally provided goods, services and works necessary to enable the Council to deliver services to the people of the district.

In procuring works, goods and services the Council continuously seeks to deliver best value and to have a transparent process which is open to scrutiny at all levels. With reducing funding, it is essential that procurement delivers value for money and efficiency savings throughout the Council.

Why do we need a strategy?

The Procurement Strategy 2021 – 2025 establishes the Council's strategic approach to procurement. This strategy should be read in conjunction with the Council's Finance Code of Practice and Contract Procedure Rules contained within the [Council's Constitution](#) (chpt 9 pgs 138 - 178).

This Procurement Strategy also emphasises the increasing importance of using procurement to support wider social, economic and environmental objectives, in ways that offer real long term benefits, including the promotion of apprenticeship roles through our contractors.

The Council recognises that it has a vital role to play in furthering sustainable development and addressing the issue of climate change, through its procurement of buildings, goods, works and services. Procurement decisions have a major socio-economic and environmental implication, both locally and globally, now and for future generations. The Council understands the importance of a strong and vibrant local economy and the role that it can play in stimulating local markets.

A Procurement Strategy is vital to;

- Secure best value;
- Support the Council's priorities;
- Provide best practise and support the Council's pathway towards a net-zero carbon emission target of 2030;
- Provide a source of information on the Council's approach to procurement;
- To create a climate where all parties can contribute to achieving best value and value for money;
- The Procurement function needs to be seen as a strategic partner by all groups, capable of supporting all stakeholders to better deliver best value and curb all aspects of waste in the process of achieving the stated goals of the Council;
- To comply with legislation, government and other procurement guidance along with external audit requirements; and
- To help support the Council's budget, Medium Term Financial Plan (MTFS) and Financial Sustainability Strategy.

The Procurement Strategy will aim to assist the delivery of these priorities. The Procurement function has moved from being a tactical sourcing process to becoming a function capable of delivering strategic contributions supporting the achievement of the Council's goals. Procurement must therefore be seen in the context of all the Council's overall objectives and priorities.

Corporate Plan

North Norfolk is a fantastic place to live, work and visit – covering over 360 sq miles of coastal and rural environment, with a population of over 100,000 people living in 120 distinct communities, our District is one of England's top holiday destinations and a place where people positively choose to live, with large numbers of people retiring to the area.

However, despite these positive attributes we also have some big challenges; responding to environmental change, increasing housing supply, supporting economic growth, meeting the challenges of service delivery to rural communities and the needs of both our young people and a rapidly ageing population. Our Corporate Plan sets out our vision for the Council and its work over the coming years. It reflects the essential needs and aspirations of our customers and communities and how we feel the Council can best use its resources to deliver services and outcomes that make a positive difference for everyone who lives in, works in or visits North Norfolk.

The current Corporate Plan covers the period 2019 – 2023 and sets out the following areas as the Council's main priorities for that period;

- Local Homes for Local Need
- Climate, Coast & Environment
- Boosting Business, Sustainability & Growth
- Financial Sustainability & Growth
- Customer Focus
- Quality of Life

The Delivery Plan, which contains the actions the Council is going to take to deliver the Corporate plan can be accessed [here](#).

The COVID 19 Virus and a Green Economic Recovery

The Coronavirus Pandemic (COVID-19) has had and continues to have a significant impact on residents and businesses in the North Norfolk Area. The Council is supporting the local recovery and it understands that as one of the largest procurers of goods, services and works in the area, with an annual expenditure in excess of c£12m, it can play a significant role helping the economy recover.

The council also recognises that a clean and resilient recovery will create and support employment and will also ensure that we address the inter-connected challenges of climate change, biodiversity, public health and the economy. A link to the government's recent statement on the green recovery can be found [here](#).

For economic recovery to be effective and long lasting the Council will need to promote sustainable development and therefore recognises that its Procurement Strategy is one of the underpinning strategies and is a lever it can use to aid a green economic recovery.

Our Vision

The Council's vision is to deliver commercially effective and compliant procurement which is responsive and adapts to the challenges presented. The Council will procure goods, services and works by the most economic, efficient and effective means, reflected in the resultant contracts which will work harder to support the people of the district through the delivery of additional social value whilst promoting environmental excellence and innovation in the context of combating climate change to help minimise environmental impact. In order to deliver this vision, the Council must remain committed to embracing change in working practices to ensure the benefits of tailored and legally compliant procurement approaches are realised. The Council will continue to refine its procurement practice by continually challenging itself, developing new innovative procurement approaches, and engaging in the wider procurement community. Good practices from both the public and private sectors will be utilised where they will add value to the procurement process.

The Strategy

This Procurement Strategy has been developed in the context of unprecedented funding pressures faced by all local authorities, the global impact of the Covid pandemic and the ongoing challenges brought about by Brexit. Whilst the current economic climate is undeniably challenging, it also presents an opportunity for the Council's procurement activities to support the local economy.

This strategy recognises that the local government landscape is changing at an extraordinary pace and transforming the way that the Council does business is essential to ensure the continued delivery of value for money services. While collaboration with partners remains a priority for the service due to the efficiencies and opportunities to aggregate, this now has to be balanced against the pace and priority given to service transformation.

For that reason, it is crucial for the Council to adopt a responsive and tailored approach to procurement, engaging in collaboration when it is right to do so. This strategy therefore identifies collaboration as one of many tools which the Council can deploy to secure additional value from the procurement process.

Taking a more commercial approach and focusing on efficiency will ensure the Council delivers our services in new and different ways, to increase income, improve customer experience and/or reduce costs. Commercialisation and efficiency improvements are undertaken within the context of the public-sector environment in which we operate. Councils' face restrictions on what they can carry out as a commercial venture, how and where they can charge for services, and in which capacity they can trade and each case should be individually judged to determine what is the best way forward.

To help to achieve these objectives the Council will;

- **Consider procurement options** before going out to the market to ensure the right outcome is achieved. If tendering is decided upon as the right solution, ensure that it is an attractive opportunity to the market by encouraging more small and medium-sized enterprises (SMEs) and local suppliers to bid for opportunities through forward planning, wider advertising and market engagement. Seek to promote bid opportunities by ensuring projects are well developed and allow the market to actively engage in contract opportunities.
- **Simplify the procurement process** and contract management to assist in raising procurement standards within the public sector and encourage more suppliers to

participate in contract opportunities. This approach will also assist in attracting the best contractors and maximising value for money in delivery of the Council's priorities.

- **Support all suppliers** particularly local suppliers which are very important to supporting the local economy. We will work with suppliers who will help us to meet out net-zero 2030 emissions targets and also support suppliers who deliver best practice from a carbon reduction and environmental impact perspective. We will pro-actively work with local suppliers to encourage them to bid for contract opportunities within the public sector. This will be achieved by alerting them to opportunities on the Council's website in relation to the Council's contracts, encouraging them to register with the European Union advertising portal for larger contracts and the Governments national advertising portal Contracts Finder for lower value contract opportunities within the public sector. Positively engage with businesses so that they understand how best to deliver bids for public sector contracts. For contract opportunities, the procurement principles of fairness, equal competition, equal treatment, proportionality and non-discrimination will be applied to suppliers.

Effective procurement is crucial to achieve continuous improvement and to securing value for money in public services. The Council is one of the largest purchasers of goods and services in the district, and has both legal and moral responsibilities when making procurement decisions. It is important to ensure that procurement decisions are legal, ethical and in accordance with the Council's policies and procedures.

Changes to Local Government funding underline the need for Local Authorities to have efficient an effective procurement procedure in place, these will support the delivery of front line services. Every aspect of Local Authority service involves procurement.

Competitive procurement remains the cornerstone of the Council's procurement approach but there will be circumstances where a direct award contract with a sole supplier will be appropriate.

The Council's procurement values

The Council's core procurement values are fundamental to the planning and delivery of services. The core values are;

- Enhancing value for money for all our partners
- Maximising opportunity for innovation and best practice from an environmental and a carbon reduction perspective
- Embracing change
- Creating and maintaining effective working relationships
- Seeking out opportunities to collaborate
- Being on the 'same team' as partner authorities
- Providing constructive challenge where procurement practices can be improved
- Committing to commercial excellence and continuous improvement
- Openness and transparency
- Being flexible in our approach
- Listening to feedback and growing from experience

These values are important in guiding how the service and partners engage in order to deliver an effective service and ongoing partnership.

The Council's procurement principles

The Council's Procurement Strategy recognises that different models and approaches will be required for the very different and divergent services that the Council has responsibility for. To support the values outlined above the Council will apply the following guiding principles in its procurement activity;

- Consider the impact of all major procurements on the achievement of the strategic priorities of the Council identified within the Council's current and future Corporate Plan;
- The Council will apply the overriding principles of fairness, openness and transparency to all procurement activities;
- Preserve the highest standards of honesty, integrity, impartiality and objectivity in all dealings;
- Strategic procurement will ensure the Council obtains value for money in the acquisition and management of its resources, balancing quality and cost with the lengths/measures that suppliers are going to address carbon emissions and environmental impact;
- Consider the potential for innovation, the management and balance of risk, and the opportunity for new or alternate methods of service delivery;
- All procurement activity should support and promote Council policies and priorities, including equal rights, sustainability, value for money, supporting the local economy and protecting the environment;
- Operate within the legislation determined by European Union Law, United Kingdom Law and any law in place following Brexit. Those regulations outlined within Finance, Code of Practice and Contract Procedure Rules, in that order of precedence;
- Utilise competition as a means of achieving economy, efficiency and effectiveness, wherever appropriate and seek to ensure that this contributes to the competitiveness of suppliers, contractors and service providers;
- Ensure that procurement activity is customer focused. Involving internal consultation and involvement to support service objectives. Feedback will be sought and customer satisfaction measured and a means of improving performance;
- Consult end service users, where appropriate, to ensure that the service meets their needs, especially where decisions affect their lives;
- Ensure that the Public Services (Social Value) Act 2012 is adhered to in our procurement process, the act requires commissioning public sector organisations to consider how their procurements that fall within OJEU/UK Law will improve the social, economic and environmental wellbeing of related areas
- The Council will ensure that procurement activity is undertaken in the most effective and appropriate manner considering, but not limited to; development of strategic partnerships, the use of collaborative procurement with other local government bodies, development and promotion of corporate contract, use of consortia e.g Eastern Shires Purchasing Organisation (ESPO) and Crown Commercial Services (CCS);
- All procurement will be assessed on a whole life costing and benefits basis and procurement decisions will be evidence based on value for money;
- Continue to support the local economy and SME'S, breaking down barriers to entry into the Local Government Marketplace; and
- Introduce formal performance indicators and contract management on strategic contracts to ensure suppliers meet their obligations and that the Council achieves value for money. Performance indicators and contract management will cover risk, compliance, satisfaction, value for money, sustainability, the environment, complaints and continued innovation. This process should feed into the next contract opportunity. With limited resource to carry out contract management, there is a requirement to

maximise the benefits of this activity and therefore it is envisaged that performance indicators will be applied to any strategic contracts in excess of £50k.

Further to the overriding high level values and principles, the Council considers that the following are important for the people of the District and commit to considering them in a proportionate way where relevant to the contract when procuring goods, services or works;

Economic principles

- Growing the local economy
- Paying the living wage
- Increasing employment opportunities

Environmental principles

- Environmental sustainability
- Reduction of waste
- Reduction of carbon emissions
- Improving outdoor spaces

Social principles

- Encouraging health and well-being
- Improving safety
- Improving community participation and reducing social isolation
- Improving Housing (quality and quantity)
- Encouraging contractors to support apprenticeship roles

Objectives

How we will achieve our objectives?

Ensure that the Council's Standing Orders relating to contracts are continually revised and updated to ensure relevance and compliance to current related regulations and cascade updates to all stakeholders within and without the Council, supported by further training where required

We will consult and engage with stakeholders throughout the procurement lifecycle, to ensure our procurements properly reflect need and opportunity, and take account of the wider context, including the Council's plans and strategies, locality working and collaboration with others.

Governance and review

The Council's procurement activity takes place within a corporate structure supported by the Council's Constitution, Contract Procedure Rules, Procurement Strategy, procurement guidance and wider regulatory framework e.g. Public Contracts Regulations 2015, UK Law, and Financial Procedure Rules.

The full list of internal procurement services the Council delivers is as follows;

- Provide regular procurement training to officers, including sharing best practice via procurement forums with Procurers in the Council;
- Review of 'off contract' spend;

- Provide procurement management information;
- Advise and support on the development of tenders, route to market and specifications;
- Advise and support on business cases, tender evaluation and options appraisals;
- Provide support for market engagement;
- Provide guidance and support to ensure all procurements adhere with procurement law;
- Coordinate and moderate tender evaluation processes;
- Procurement project planning;
- The Council's Contract Procedure Rules (CPRs) and procurement processes ensure adherence to its statutory and local obligations. The CPRs are reviewed on an annual basis and minor changes are required within the year then adjustment to procedures will be made. Updates to the CPR's are communicated out to officers in the Council as and when they occur. The Council's aim is to deliver an agile and low friction procurement service; and
- To support the Council's aim of becoming carbon net-zero by 2030 the Council will embed sustainable sourcing and procurement practices into its processes where permissible.

Delivery of this strategy is the responsibility of the Procurement Officer but every officer within the Council has a responsibility for ensuring legally compliant procurement which represents best value for our residents. Key procurement projects and activities to be undertaken will be monitored through the Council's normal performance management framework, supported by the Corporate Delivery Unit (CDU), which will promote continual improvement.

This strategy is next scheduled for review in May 2025.