

## DRAFT JOINT PROCUREMENT STRATEGY 2009-12

### VISION

- ▶ Carry out all procurement in line with procurement best practice and legislative requirements
- ▶ Support the achievement of corporate priorities in the two councils, particularly the achievement of value for money
- ▶ Obtain goods, works and services which achieve the optimum combination of value for money and the management of risk to meet the needs of stakeholders

JOINT PROCUREMENT PRIORITIES				
	Procurement that is effectively managed and monitored complying with relevant rules both internal and external	Procurement that engages all buyers/commissioners, is market aware and delivers sustained competitiveness and value for money	Procurement that is inclusive, sustainable and socially responsible	Procurement that works with partners and suppliers to everyone's advantage and exploits the benefits of technology
Strategy Objectives	<ol style="list-style-type: none"> <li>To ensure that all procurement is in accordance with EU rules, the Council's Contract Procedure Rules and published Procurement Guidance and Best Practice.</li> <li>To deliver an effective service which maximises efficiency for joint procurement, collaborative working and the establishment of shared services.</li> <li>To ensure that procurement governance arrangements set for the procurement partnership are effectively met and the commitments set out in the SLA between the two Councils are delivered.</li> <li>To contribute and participate in Lancashire Procurement Hub and Central Lancashire projects and opportunities wherever this is mutually beneficial.</li> </ol>	<ol style="list-style-type: none"> <li>To contribute to the achievement of the Council's targets for efficiency gains during the CSR07 period.</li> <li>To involve buyers/ commissioners/customers in shaping the new service effectively and ensure effective procurement training.</li> <li>To put in place procurement contracts which will maximise the delivery of value for money across the two councils.</li> <li>To contribute to the achievement of a top "Use of Resources" score in both Councils</li> </ol>	<ol style="list-style-type: none"> <li>To encourage a mixed range of suppliers to help create a varied and competitive marketplace.</li> <li>To ensure that small firms are not unfairly excluded from bidding for council business.</li> <li>To reduce the negative effect on the environment of the products and services we buy.</li> <li>To promote and demonstrate best practice for sustainable procurement</li> <li>To ensure that procurement activity incorporates statutory requirements and local aspirations in regard to Equality and Diversity.</li> </ol>	<ol style="list-style-type: none"> <li>To electronically enable as many steps in the procurement cycle as possible.</li> <li>To introduce, where feasible, further e-Commerce solutions eg e-auctions, e-tenders and Purchase cards subject to a rigorous business case being met.</li> </ol>
Key Targets – National and Local - 2009-12 (annual unless otherwise stated)	<ol style="list-style-type: none"> <li>80% of users satisfied with the corporate procurement function under the new partnership arrangements.</li> <li>No breaches of Standing Orders for Contracts or EU Rules as appropriate</li> </ol>	<ol style="list-style-type: none"> <li>Contribute towards achievement of Efficiency savings targets set for the 2008/11 CSR07 spending period . Chorley - £1.26 million South Ribble - £ 1.063 million (targets take account of efficiencies brought forward from previous period)</li> <li>Identify, develop and take maximum advantage of procurement collaborative opportunities and framework agreements, where these prove beneficial.</li> </ol>	<ol style="list-style-type: none"> <li>All relevant procurement exercises include sustainability factors within the specification and evaluation criteria.</li> <li>Achieve in both councils Level 2 of the Flexible Framework for Sustainable Procurement by 2009 and level 5 by 2011 .</li> <li>Contribute to the achievement of Level 3 of the Equality Standard for Local Government at both authorities by 2009 and to continue to progress thereafter from Level 3 as part of the Equality Framework for Local Government.</li> </ol>	<ol style="list-style-type: none"> <li>70% of suppliers satisfied with their procurement dealings with the Authority.</li> <li>98% of Chorley and 80% of SRBC suppliers payments by electronic means</li> <li>97.5% of suppliers paid within 30 days</li> <li>Establish and achieve target for % of suppliers receiving their orders electronically</li> <li>Contribute to the implementation of the SRBC new financial system in 2010</li> </ol>
Key Actions/Projects 2009/10	<ol style="list-style-type: none"> <li>Integrate procurement within the two councils and deliver all the requirements of the Service Level Agreement.</li> <li>Carry out a skills analysis review of officers involved in the procurement process across both councils (July 09)</li> <li>Deliver a programme of procurement training to meet identified needs (July 09)</li> <li>Identify the best opportunities for establishing shared services in liaison with the Team Lancashire Shared Services Board (CMT)</li> <li>Provide professional procurement guidance on major procurement projects ensuring that effective option appraisal analysis is conducted in both councils.</li> <li>Contribute to and use model procurement documents promoted by the North West Regional Improvement and Efficiency Partnership.</li> <li>Ensure the register of Contracts is effectively published and maintained within the two councils.</li> <li>Review and ensure that established local performance indicators are achieved.</li> <li>Develop/Review/Update procurement information area on Council's intranet August 2009).</li> <li>Work with the Lancashire Procurement Hub to develop and implement meaningful "SMART" Procurement PI's to be used across all Lancashire Authorities.</li> </ol> <p><b>2010/11</b></p> <ol style="list-style-type: none"> <li>Review the Council's Procurement Codes of Practice/ Procurement Staff Guidance to achieve commonality wherever possible.</li> <li>Review the Council's current Contract Procedure Rules to achieve commonality wherever possible.</li> <li>To carry out a User Survey across both Councils to establish satisfaction with the procurement service</li> </ol> <p>All actions owned by the Procurement &amp; Partnership Manager unless otherwise stated</p>	<ol style="list-style-type: none"> <li>Establish a clear picture of the procurement landscape at both authorities to identify key action areas and collaborative opportunities in liaison with Senior Management.</li> <li>Co-ordinate internal arrangements to ensure that all opportunities to carry out integrated purchasing are grasped.</li> <li>Ensure that market information is collected and co-ordinated continuously.</li> <li>Benchmark prices, procedures, and savings against other councils and best practice elsewhere.</li> <li>Maximise the use of framework agreements and collaboration arrangements with other partners where they are competitive.</li> <li>Achieve Procurement savings targets of £50,000 per financial year at each Authority.</li> <li>Conduct rigorous post procurement project reviews on major procurements (Procurement Project Sponsors).</li> <li>Engage and contribute to work undertaken by the Lancashire Procurement Hub.</li> <li>Carry out a detailed spend analysis across the two councils to identify key opportunities for maximising VFM.</li> </ol>	<ol style="list-style-type: none"> <li>Review and implement the NWIEP Standard integrating equality and diversity in procurement procedures and documentation at SRBC (implemented at Chorley) and deliver training on the same across both authorities (July 09)</li> <li>Implement Sustainable Procurement Policy at SRBC. (July 09) (Implemented at Chorley)</li> <li>Develop and implement an action plan to achieve the targets and actions contained within the Flexible Framework for sustainable procurement at SRBC Review existing Action Plan at Chorley (Oct 09)</li> <li>Develop, implement, promote and regularly update a sustainable procurement register at South Ribble Borough Council including spend with the third sector. Review and update Sustainable Procurement register at Chorley. Share and take advantage, where practicable, of best practice across both authorities (September 2009)</li> <li>Review developing markets and increase the volume of Fairtrade products we buy, wherever feasible.</li> <li>Ensure that our key partners commit to the aspirations of both councils in terms of sustainability and equality and diversity.</li> <li>Wherever possible (within legal constraints), support local suppliers by encouraging them to engage in appropriate procurement exercises.</li> <li>Work with third sector suppliers to encourage them to apply for appropriate contracts.</li> </ol>	<ol style="list-style-type: none"> <li>Maintain/Develop and implement systems for the posting of contract opportunities on our own and other websites eg supply2.gov.uk; The Chest Work with the Procurement Hub to develop/review electronic initiatives such as e-sourcing</li> <li>Maintain /Develop Selling to the council Guide and procurement area on the Councils' respective websites</li> </ol> <p><b>2010/11</b></p> <ol style="list-style-type: none"> <li>Assess and introduce, where feasible, further e-commerce solutions eg e-auctions and e-tenders subject to a rigorous business case being met.</li> <li>To carry out a survey with both council's key suppliers to establish how satisfied they are with their procurement dealings with the Authority</li> </ol> <p>Targets 9, 10 and 11 owned by Exchequer Manager</p>

