

CABINET

Date of Meeting	Tuesday, 12 th March 2024
Report Subject	Approval of the Procurement Strategy 2024-2027
Cabinet Member	Cabinet Member for Finance, Inclusion, Resilient Communities including Social Value and procurement
Report Author	Chief Officer (Governance)
Type of Report	Operational

EXECUTIVE SUMMARY

The Council continues to operate a joint procurement service with Denbighshire County Council, with Denbighshire acting as the lead authority.

It is recognised that for effective and efficient procurement practices to operate at all levels within the Council, processes need to be underpinned by an overarching procurement strategy. The development of a revised strategy is essential to capture the key, emerging themes for the delivery of procurement activities, as well as the political ambitions of Cabinet.

Adoption of the latest procurement strategy will help to enhance service delivery and provide guidance and support for internal stakeholders around how procurement will support the Council's priorities. The document also incorporates the latest Government procurement legislation and initiatives.

The procurement strategy has been prepared to ensure there is an updated 3-year plan, with captures the political objectives and aspirations of Cabinet and which is aligned to the Council Plan and key priorities.

RECOMMENDATIONS

1	For Cabinet to approve the 2024-2027 procurement strategy.
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REPORT DETAILS

1.00	EXPLAINING THE PROCUREMENT STRATEGY (2024-2027)
1.01	<p>The Council entered a shared service agreement ten years ago with Denbighshire County Council (DCC) to coordinate and supporting commissioning and procurement activities across the Council. The joint service continues to play a key role in:</p> <ul style="list-style-type: none">• Promoting awareness and the need for compliance with legislation and the Council’s own contract procedure rules and financial regulations• Promoting awareness of the need to collaborate on procurement and commissioning across the two Councils.• Providing assurance to elected members and management that the objectives in the procurement strategy are being met.• Ensuring that the risks associated with commissioning and procurement activities are being identified and met.• Ensuring that opportunities to drive through greater efficiencies and improvements are identified and implemented.• To incorporate Social Value within our procurements, including making a positive commitment to addressing climate change and supporting the local economy.
1.02	<p>Looking ahead there are significant legislative and procedural changes on the horizon for public sector procurement.</p> <p>The Procurement Act will replace the procurement rules that currently regulate the way public contracts are procured. The new Act provides for a simpler, flexible, and more transparent system, which will allow for more focus on social value and help reduce the barriers to entry for smaller businesses and social enterprises.</p> <p>The new regime is expected to take effect from autumn 2024 and DCC colleagues from the collaborative procurement service are in the process of raising awareness across both Councils, as well as identifying changes to the procurement processes.</p>
1.03	<p>As part of the need to look ahead, the procurement strategy for the next three years needs to be updated and approved by Cabinet to reflect the emerging and changing priorities for the procurement service and to accurately reflect the ambitions and priorities of the Council.</p>
1.04	<p>The latest procurement strategy is based around five key themes, and with defined key target outcomes for each theme, the strategy will make sure the ambitions are delivered through a range of actions as detailed in the strategy:</p> <ul style="list-style-type: none">• Theme 1 – Climate emergency.• Theme 2 – Securing best overall value.• Theme 3 – Socially Responsible procurement Duty.

	<ul style="list-style-type: none"> • Theme 4 – Early payment to suppliers and contractors– ‘FastTrack’ • Theme 5 – The implications and opportunities arising out of the new procurement Acts.
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2.00	RESOURCE IMPLICATIONS
2.01	The service level agreement states that the Council’s will split the running costs based on their share of the combined overall spend of both Councils. Historically Flintshire has made a 55% contribution towards the overall running costs. From 2023/24, the running costs are split 50/50.
2.02	Whilst there are no financial implications arising from the need to approve the latest strategy, clearly the absence of an agreed strategy could lead to increased costs being incurred by the Council, or indeed missed opportunities.

3.00	IMPACT ASSESSMENT AND RISK MANAGEMENT
3.01	Adoption of this up-to-date procurement strategy will assist both the Council and the Collaborative procurement Service to be mindful of and comply with the relevant legislative framework and the priorities of the Council. procurement operates in a highly regulated environment governed by the Council’s internal procedures and rules such as the Contract Procedure Rules.
3.02	The procurement strategy for 2024-2027 does not replace any of the Councils internal rules. It is designed to set out a vision for the future and to capture the key themes for the delivery of procurement activities, as well as the political ambitions of Cabinet. Adoption will help to enhance and provide guidance and support for internal stakeholders and how procurement activities will support the Council’s priorities.
3.03	To deliver good and effective governance, adoption of the procurement strategy is an important measure. It also fulfils good practice as part of the corporate self-assessment, and Audit Wales guidance, to ensure there is an up-to-date strategy in place.

4.00	CONSULTATIONS REQUIRED/CARRIED OUT
4.01	The purpose of this report is to provide cabinet with the opportunity to review and approve the strategy and consider whether the updated strategy captures the political objectives and aspirations of Cabinet.

5.00	APPENDICES
5.01	Appendix 1 sets out draft procurement strategy for 2024-2027 as prepared by the Collaborative Procurement Unit in partnership with the Revenues & Procurement Manager.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<ul style="list-style-type: none"> • Procurement Act 2023 • Social Partnership and Public Procurement (Wales) Act 2023

7.00	CONTACT OFFICER DETAILS
7.01	Contact Officer: David Barnes, Revenues and Procurement Manager Telephone: 01352 703652 E-mail: david.barnes@flintshire.gov.uk

8.00	GLOSSARY OF TERMS
8.01	None.