

Procurement & Commissioning Strategy 2016 - 2021



June 2016

FOREWORD

The Council is dealing with significant financial pressures resulting from reductions in government funding, coupled with increasing expectations from our residents and businesses. We need to make savings, and a fundamental part of this will be ensuring that we use our spending power wisely and strategically. In this context, our Procurement and Commissioning Strategy is more important than ever. With an annual spend in the region of £100 million on bought-in goods, services and works, it is imperative that we manage this responsibly to ensure we obtain value for money for our citizens and support our wider corporate objectives.

The strategy has set out seven key principles which are there to help guide all our procurement and commissioning activity and ensure that it is undertaken legally, transparently and with a proper understanding of the impact on our local communities – now and into the future. The strategy also has a specific outcome around achieving value for money through our procurement and commissioning activity, and outlines how we will consider different delivery models, review our processes, use technology, improve our contract management and invest in upskilling our workforce to achieve this outcome.

But the strategy also recognises the impact the money the Council spends on the local economy, with around £XX million of our total spend in 2014/15 being with Flintshire based businesses. This spend helps ensure that those businesses continue to provide employment for local people, and provides them with the opportunity to grow and create new jobs in the County. The strategy has a specific outcome around improving the contribution our procurement and commissioning activity has on the local economy, and how it will achieve this by working with our local supply chain, developing new approaches to how we procure and commission to ensure there are opportunities for local businesses going forward, and using clauses in contracts to help deliver wider community benefits such as training placements and supply chain opportunities for local businesses.

We acknowledge that delivering this strategy will require some significant changes from the way we currently procure and commission, and will result in new ways of working and, in some cases, changing roles and responsibilities. The Council is committed to making this change and will provide the clear leadership and support that will be needed to ensure success.

INTRODUCTION

Purpose of the Strategy

Flintshire County Council currently spends in the region of £150 million a year with private and third sector organisations on the goods, services and works needed to deliver public services. It is the Council's responsibility to manage this money efficiently and effectively to achieve Council objectives. The purpose of this strategy is to set out how we are changing procurement and commissioning within the Council and to provide the vision and strategic direction necessary to better achieve our objectives.

This strategy is aimed at promoting effective commissioning and procurement across the whole organisation. It will assist all internal officers who are involved in commissioning and procurement to better understand their role in supporting the delivery of this strategy. It also provides a basis for interaction with other key stakeholder groups; primarily our suppliers, the wider public and their elected members.

The aims of this strategy are to:

- Establish a clear strategic direction and priorities for change
- Establish key commissioning and procurement policy principles
- Clearly set out what we are going to do and why

The strategy has been developed with a full appreciation of the complex regulatory framework within which procurement and commissioning operates. It also recognises that it is an area with high risks – with potentially significant impacts on service delivery, financial management and legal compliance, as well as the overall reputation of the Council.

What is Procurement?

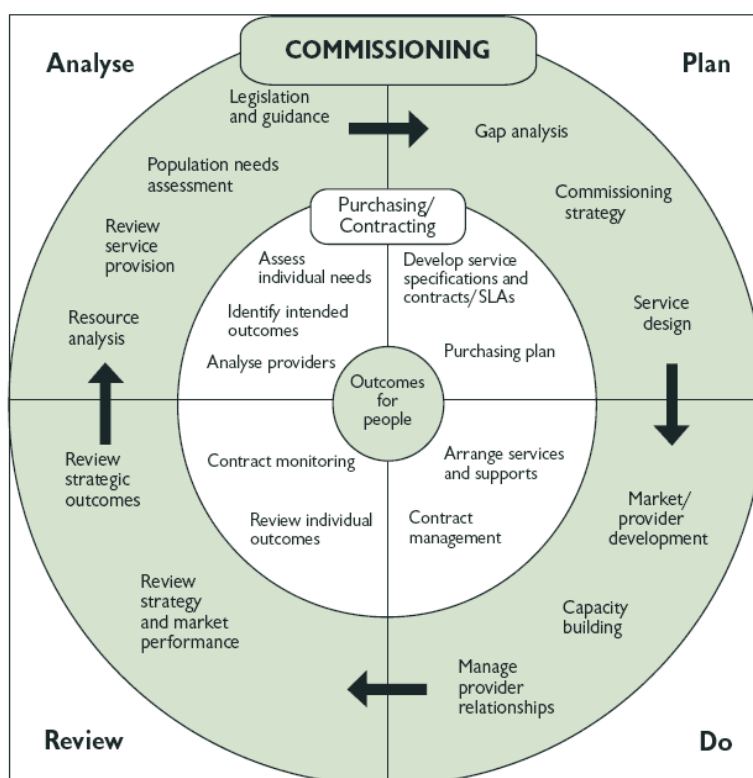
For the purposes of this strategy, we have used the same definition of procurement as detailed in the Wales Procurement Policy Statement (June 2015):

“The process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society and the economy, whilst minimising damage to the environment”

What is Commissioning?

Commissioning of public services is about public sector agencies working with purchasers, providers and, most importantly, communities, to identify and understand end users' needs so that services can be designed to meet them. This is done by working within a structured and planned process called the commissioning cycle (see below), which ensures services are improved and developed against past experience and current community need.

The Commissioning Cycle



Good commissioning is underpinned by the following principles:

1. Understand the needs of those using the service
2. Consult provider organisations when setting priorities
3. Put outcomes for users at the heart of the process
4. Map the fullest practical range of providers
5. Consider investing in the provider base
6. Ensure contract processes are transparent and fair
7. Ensure long-term contracts and risk sharing
8. Seek feedback to review effectiveness of the commissioning process

Where Council services directly impact upon communities and influence the day to day lives of citizens, such as in the field of social care, service areas will use the commissioning cycle to develop specific strategies and plans which adhere to the eight principles of good commissioning.

CURRENT ARRANGEMENTS

Joint Collaborative Procurement Team

On 1st July 2014 an agreement was signed between Denbighshire County Council and Flintshire County Council which established a new collaborative procurement service. The vision for this new service is:

- to implement a shared, skilled and excellent corporate procurement service that ensures the required support for the two organisations and individual services in delivering corporate and service objectives and efficiency targets;
- to maximise procurement savings for the benefit of the residents and businesses of Denbighshire and Flintshire; and
- to develop professional capacity and resilience to create a top performing procurement team, delivering organisational benefit and personal professional development for the team.

The team is hosted by Denbighshire County Council (i.e. employment contracts are with Denbighshire rather than Flintshire), but provides a joint service across the two councils. The team consists of one Strategic Procurement Manager, five Senior Procurement Officers and four Procurement Officers. In terms of scope of activities, the remit of their responsibilities are:

- **Policy** – provide advice on legislation and regulatory framework policies that impact on procurement; develop, and maintain and implement the Council’s respective Corporate Procurement Strategies.
- **Day-to day management** – manage relevant corporate contracts (e.g. Matrix Agency Framework); providing a strategic lead covering all procurement activities; working with service areas to identify opportunities for coordination and cooperation; coordinate initiatives aimed at improving purchasing power and lowering prices; lead on corporate procurement initiatives and projects (e.g. eProcurement); undertake performance measurement; and carry out procurement research.
- **Advice** – advise and support service areas on the preparation of tender documents; develop and deliver a procurement training programme; develop and produce clear, user-friendly guidance and information on procurement; and disseminate examples of procurement best practice.
- **Compliance** – develop corporate systems and performance indicators to monitor the supply of goods and services; ensure that agreed procurement processes are adhered to; develop, promote and maintain supply chain management solutions; analyse trends and expenditure to identify areas for improved coordination of purchasing; produce an annual report on procurement activity, expenditure and savings; and ensure corporate procurement standards across all service areas,
- **Liaison** – represent the Council(s) on external procurement related bodies; liaise and manage relationships with other public sector purchasing bodies and external consortia; and provide a central link between the Council(s) and the supply/provider market.

THE NATIONAL CONTEXT

There are a number of regulatory, strategic and policy initiatives that impact on procurement and commissioning at a national level. Ensuring that the procurement strategy acknowledges these and maps out how we can ensure compliance where required and help deliver wider outcomes

Public Contracts Regulations 2015

The 2014 EU Procurement Directive became a legal requirement in Wales with the coming in to force of the Public Contracts Regulations 2015 in February 2015. One of the key themes of the Regulations is to make public procurement faster, more flexible and easier – especially for small and medium sized enterprises (SME's). The procurement strategy must ensure that the council is legally compliant with the revised regulations in all of its procurement and commissioning activity. Some of the regulatory changes also raise some more immediate requirements, including:

- the need to review and revise current Contract Procedure Rules to align with the new legislation;
- reviewing the existing pipeline of procurement projects at the OJEU threshold being planned, to ensure staff appreciate the need to have procurement documents available “up front”, and embed this as best practice even at sub-OJEU levels; and

The Wales Procurement Policy Statement

In December 2012 the Welsh Government launched the Wales Procurement Policy Statement (WPPS) which set out the principles by which they expected public sector procurement to be delivered in Wales. Since that launch the Welsh Government has secured legislative powers in respect of procurement for Wales, and has subsequently reviewed the document and, in June 2015, launched a revised Statement.

The ten principles of Welsh Public Procurement Policy are:

1. **Strategic** – procurement should be recognised and managed as a strategic corporate function.
2. **Professionally resourced** – procurement expenditure should be subject to an appropriate level of professional involvement and influence.
3. **Economic, Social and Environmental Impact** – Value for Money should be considered as the optimum combination of whole-of-life costs.
4. **Community Benefits** – delivery of social, economic and environmental benefit through effective application of Community Benefits policy.
5. **Open, accessible competition** – public bodies should adopt risk based, proportionate approaches to procurement to ensure that contract opportunities are open to all.
6. **Simplified Standard Processes** – procurement processes should be open and transparent and based on standard approaches.
7. **Collaboration** – areas of common expenditure should be addressed collectively using standardised approaches.
8. **Supplier Engagement and Innovation** – dialogue with suppliers should be improved to help get the best response from the market place.

9. **Policy Development and Implementation** – deployment of policy which supports the achievement of the seven well-being goals for Wales as set out in the Well-being of Future Generations (Wales) Act (2015)
10. **Measurement and Impact** – in accordance with good management practice, procurement performance and outcomes should be monitored to support continuous improvement.

The National Procurement Service (NPS)

The National Procurement Service (NPS) for Wales became operational in November 2013, and was set up to enable the Welsh public sector to collaborate more closely in procuring goods and services in the face of unprecedented budgetary pressures. The NPS is hosted by the Welsh Government and for the first 3 years of operation it is funded with £5.9m from the Welsh Government's Invest to Save Fund. After the first 3 years the intention is that the NPS will become self-funding.

Flintshire County Council is one of over 73 public sector organisations in Wales that have signed up and made a 5 year commitment to using contracts and frameworks facilitated by the NPS in areas of common and repetitive spend. While savings in goods and services will be a priority for the NPS, promoting local economic regeneration, community benefits and supporting SMEs and the voluntary sector in competing for Welsh public sector contracts will also be important.

The Well-being of Future Generations (Wales) Act (2015)

The Well-being and Future Generations (Wales) Act is about improving the social, economic, environmental and cultural well-being of Wales. It is designed to make public bodies think more about the long-term, work better with people and communities and each other, look to prevent problems and take a more joined-up approach in order to create a Wales that we all want to live in - now and in the future. The Act puts in place the following 7 well-being goals:

1. **A prosperous Wales** – an innovative, productive and low-carbon society which recognises the limits of the global environment and therefore uses resources efficiently and proportionately; and which develops a skilled and well-educated population in an economy which generates wealth and provides employment opportunities.
2. **A resilient Wales** – a nation which maintains and enhances a biodiverse natural environment with healthy functioning ecosystems that support social, economic and ecological resilience and the capacity to adapt to change (for example climate change).
3. **A healthier Wales** – a society in which people's physical and mental well-being is maximised and in which choices and behaviours that benefit future health are understood.
4. **A more equal Wales** – a society that enables people to fulfil their potential no matter what their background or circumstances.
5. **A Wales of cohesive communities** – attractive, viable, safe and well-connected communities.
6. **A Wales of vibrant culture and thriving Welsh language** – a society that promotes and protects culture, heritage and the Welsh language, and which encourages people to participate in the arts, and sport and recreation.
7. **A globally responsible Wales** – a nation which, when doing anything to improve the economic, social, environmental and cultural well-being of Wales, takes account of whether doing such a thing may make a positive contribution to global well-being.

THE FUTURE CHALLENGES FOR PROCUREMENT

There are clearly a number of challenges which need to be addressed as part of this procurement strategy.

The need for savings versus the local economy

The Council is aware of the impact a reduction in overall spend could have on the local economy and over the next few years the Council will have to continue to make some difficult decisions to balance the need for savings with support for the local economy. In order to achieve the required savings, the council will have to consider how it might generate economies of scale through the letting of larger contracts or through collaboration with partner organisations such as the National Procurement Service and/or other public sector organisations. This approach could potentially disadvantage smaller local businesses who may not be big enough to service such larger contracts, or do not have the time or expertise to engage in the bidding process.

The procurement strategy will need to respond to this challenge by:

- Advocating a partnership approach with organisations such as the Federation of Small Businesses (FSB), Business Wales and Denbighshire Voluntary Services Council to ensure that there is sufficient training and support for local businesses and the third sector when competing for council contracts.
- Outlining how we can engage proactively with the National Procurement Services to ensure that contracts let at a national level are structured in a way that provide opportunities for businesses in Flintshire, and/or provide guidance on under what circumstances we might wish to opt out of national arrangements where we think better value or more significant economic, social or environmental benefits can be achieved through a more local approach.

The expectations of Welsh Government

The recent revision of the Wales Procurement Policy Statement clearly demonstrates the importance that the Welsh Government attribute to procurement and its potential role in helping to achieve its policy objectives – particularly around tackling poverty – and more generally in helping to secure substantial cost savings. The Welsh Government is also considering the possibility of secondary legislation in relation to procurement under the new powers it expects to secure following the publication of a Command Paper in February 2015¹, and the first area they are likely to focus on is community benefits.

The procurement strategy will need to respond to this challenge by:

- Ensuring that in the development of any local procurement approaches or policies, we are mindful of the expectations set out in the Wales Procurement Policy Statement and the prospect of new secondary legislation.
- Setting out clear policies and expectations in relation to community benefits and how they should be built into tender and contract documentation.

¹ Powers for a Purpose: Towards a lasting devolution settlement for Wales” Feb 2015 (HM Government)

Shortcomings of procurement activity within services

A recent procurement review² identified a number of shortcomings in relation to how procurement is undertaken within the services, including:

- the expertise, skills and knowledge of service department staff with procurement, commissioning and contract management responsibilities varies significantly across departments;
- training and development for procurement, commissioning and contract management within service departments appear to be highly informal and under-developed;
- performance management of individuals engaged in procurement, commissioning and contract management within service departments is infrequent to non-existent;
- there is an inconsistent approach to the supply market with various approaches being adopted;
- a “silo mentality” is restricting opportunities to operate collaboratively internally;
- there is often a lack of proper planning of procurement activities; and
- Contract Procedure Rules are not always complied with.

All this is often leading to a “fire-fighting” approach both within service areas and within the corporate procurement team that is supporting them, and in more extreme cases is leading to breaches in regulations and associated financial penalties for the Council. The lack of consistency and proper planning also creates confusion for our suppliers and can create barriers to them accessing opportunities with the council.

How we improve awareness and expertise within service areas will be one of the key challenges for procurement going forward, and the strategy needs to respond by:

- Outlining what measures and support will be put in place to support improved procurement processes and compliance within service areas
- Detailing how more corporate oversight of procurement activity will be established to ensure better planning and a greater degree of accountability for non-compliance issues

Budget constraints versus internal capacity to deliver excellence in procurement

Whilst the Wales Procurement Policy Statement advocates a minimum of one procurement professional per £10 million of expenditure, the Council recognises that it already falls far short of that aspiration, with the current corporate procurement team providing approximately one officer per £20 million across Denbighshire and Flintshire. In the current and likely future financial situation, it is difficult to envisage a scenario whereby the Council could increase the budget of the procurement team to meet the Welsh Government aspiration. Indeed, a more likely scenario is one of reduced resources which would see a reduction in the team size and a greater gap between the aspiration and the reality.

² Bangor University Institute for Competition and Competitiveness 2013

Added to this, the same review referenced in the previous section identified that legal support for procurement activity is also inadequate in terms of capacity which is leading to bottlenecks in the system and unnecessary complications. Service and team restructures within the wider organisation is also likely to see a reduction in staff numbers which could create additional capacity pressures on those staff who remain and are involved in procurement activity (both corporately and within services).

The procurement strategy will need to respond to this challenge by:

- Consideration of how we can maintain an effective corporate procurement service in the face of shrinking budgets
- Within that corporate team some consideration of what measures could be in place to manage workloads effectively, support continuing professional development, and more generally how we can retain, or recruit, motivated and dedicated procurement officers.

Embedding the use of new technology

One of the key tools for improving performance, consistency and compliance, whilst also helping to achieve savings, will be the introduction and use of new technology such as the use of Proactis for the submission and subsequent assessment of tenders. To optimise the benefits, such technology needs to be used corporately throughout the organisation, and needs to be as intuitive and straightforward to use as possible to promote a “right first time” result.

The financial investment in the required technology solutions has already been made, but this needs to be matched by investment of resources to ensure that the technology is rolled out effectively, support is put in place to aid its practical application, and there is a cultural shift so that the new technology becomes the business as usual norm and any previous systems and processes are de-commissioned.

The procurement strategy will need to respond to this challenge by:

- Outlining how technology will be used to improve performance and compliance, and what management measures will be put in place to support its implementation

Joint Procurement Service with Denbighshire

The Joint Collaborative Procurement Service with Denbighshire will deliver some tangible benefits but it also presents some challenges. Ideally all processes and policies would be completely aligned in order to maximise the benefits in terms of a consistent approach to procurement activity both internally with council officers, but also externally with our suppliers. Currently there are some variations between the two authorities. Whilst different organisational structures, management arrangements and political priorities will always present a challenge to full alignment, the strategy should seek to align as far as possible the processes and policies between the two authorities

THE STRATEGY

Key principles

Flintshire County Council is committed to setting rigorous quality standards and robust commissioning and procurement procedures to ensure that all commissioning and procurement is managed and conducted appropriately in compliance with all legislative requirements and local, UK and EU guidelines. We are committed to making sure that every pound we spend provides value for money for the council and our constituent residents and businesses.

This strategy outlines how we intend to deliver on that commitment, but in order to achieve this the council requires that all staff that are involved in commissioning and procurement to adhere to and promote the following principles:

1. To help reduce or eliminate non-essential spend all staff, before commencing any commissioning or procurement activity, will first consider whether there is an alternative approach to delivering the outcome without the need for the council to spend at all, or at least to reduce the spend.
2. In undertaking any procurement or commissioning activity, all officers must have due consideration of our duties under the Well-being of Future Generations (Wales) Act 2015 to take into account the impact of any decisions we make on the people of Wales – now and in the future. The “sustainable development principle” should be applied to all procurement activity
3. All service areas will work with the corporate procurement team to develop and implement appropriate strategies and mechanisms for delivering value for money in the goods, services or works that they procure.
4. Every procurement exercise will be managed and led by an officer with skills appropriate to the value and risk associated with that arrangement and be conducted with openness, honesty and accountability.
5. The council’s regulatory framework (contract procedure rules, delegations and financial regulations), UK and EU legal requirements will be complied with.
6. All staff involved in the purchase of goods, services or works will utilise corporate negotiated, council wide contracts or frameworks where they exist.
7. Ensure that due regard is made in all commissioning and purchasing decisions to local economic prosperity.

OUTCOME 1

Flintshire County Council achieves value for money from the goods, services and works it procures

The council has always had a duty to ensure we can demonstrate value for money in the delivery of our services, and with increasing budgetary pressure and the need to balance cost reductions against the increasing demand on services, achieving value for money on our bought goods, services and works is more important to the council than ever. However, the ongoing austerity measures and the prospect of ever decreasing budgets means that we now need to go beyond just seeking value for money in the goods, services and works we procure, and be much more proactive in our consideration of options to avoid the need to spend at all, or at least a consideration of how we can significantly reduce the amount we spend. In addition, the administrative cost of sourcing, ordering and paying for goods, services and works is significant. We therefore need to ensure that the way we work is efficient and effective.

We will work to achieve this outcome by:

1. Considering different **delivery models** and more collaborative working for the services we provide that reduce or remove the need for council expenditure;
2. Continually reviewing our **processes** and endeavour to make them as simple as possible for both internal users and our suppliers, whilst still ensuring we remain legally compliant;
3. Making better **use of technology** to deliver efficiencies in the commissioning and procurement process; and
4. Improving our **contract management** to ensure that the contracts we enter into are delivered to budget and in accordance with the agreed terms and conditions, including the delivery of any required community benefits.
5. Investing in **people and skills** to ensure that we have a well organised and appropriately skilled workforce, who have the motivation and resilience to deliver excellence in all our commissioning and procurement activities.

Delivery Models

Why is this important?

With the current financial situation and budget pressures the Council faces, it is important that we continually review what and why we are procuring, rather than just doing what we have always done. In the same way that when a member of staff leaves there is a consideration of whether the post needs to be replaced at all, or whether there are alternative approaches to delivering the required service, the same approach should be applied to procurement. Before any decision to procure is made we should always consider whether there is an alternative delivery model which would remove, or at least reduce, the need to spend. This could include collaborating with other public sector partners, fundamentally reviewing the nature of a service that we currently provide, or working more closely with third sector organisations to deliver essential services.

Where we want to be

By the end of the strategy period (2021) we expect to see more of our services being delivered through alternative delivery models which are helping us to achieve better value for money.

Processes

Why is this important?

Mistakes and omissions cost time and money to rectify, so “getting it right first time” is a critical requirement if we want to improve efficiency in the procurement process. This is best achieved through simple systems and processes which are easily understood and straightforward to follow. We will always need to balance the requirement for any systems and processes we use with the need for us to remain compliant with the law, but we should seek to make all our systems and processes “good enough” to achieve this compliance, rather than add extra and unnecessary complexity. In some instances, we may need to introduce new systems and processes to ensure we comply with the law and our own internal contract procedure rules.

Where we want to be

By the end of the strategy period (2021) we expect all staff involved in procurement activity to be familiar with and competent in using whatever systems and processes are in place, and to have no instances of non-compliance with the law or our own internal contract procedure rules.

Use of Technology

Why is this important?

Technology has a key role to play in delivering efficiencies in the procurement process. Effective application on technology will reduce transaction costs for both the council and its suppliers, speed up delivery timescales, improve compliance with procurement law and regulation, and generally improve transparency of the whole procurement process. It also enables the capture of management information which is critical to support intelligence-led decision making.

Where we want to be

By the end of the strategy period (2021) we want to demonstrably be using technology to provide an end-to-end electronic procurement service to improve delivery quality and consistency.

Contract Management

Why is this important?

We have traditionally placed a lot of emphasis on the point in the procurement process where we invite bids and award contracts, but not always on the subsequent management of those contracts. Making sure that these contracts deliver what is expected – in terms of costs, time, specification, and where included community benefits – is fundamental to achieving value for money. This requires active management and regular review of the contract, rather than a “let and forget” approach.

Where we want to be

By the end of the strategy period (2021) we expect all of our contracts to be delivered in line with the cost contained in the terms and conditions of the contract at award stage, except where variations to this have been formally agreed and recorded.

People & Skills




Why is this important?

We have an ambitious strategy with demanding targets to achieve, and we will only be a successful if we have the right people, with the skills, development opportunities and support in place. This applies to both the officers in the corporate procurement team, but also to officers throughout the council who are undertaking commissioning and procurement activity.

Where we want to be

By the end of the strategy period (2021) we want to have a well organised and appropriately skilled workforce, who have the motivation and resilience to deliver excellence in all our procurement activities.

Measuring our progress for Outcome 1

Annual High Level Indicators	2015 baseline	Desired Trend
Total cashable savings achieved from all spend through procurement activity.	No Baseline	TBC
Total cashable savings achieved from revenue spend through procurement activity.	No Baseline	TBC
Percentage of officers attending procurement training categorising the quality of the training as “good” or better.	No Baseline	
Percentage of Middle Management Team assessing their knowledge of procurement as “good” or better.	8%	
Percentage of Middle Management Team who have read or referred to the Contract Procedure Rules in the last 12 months.	33%	
Percentage of internal customers categorising the service from the corporate procurement team as “good” or better.	No Baseline	TBC

Annual Performance Measures	2015 baseline	Desired Trend
Percentage of contracts over £25,000 where a commission form has been completed.	No Baseline	TBC
Percentage of contracts over £25,000 where a sustainability assessment has been completed.	No Baseline	TBC
Percentage of contracts over £25,000 where all required documentation (evaluation criteria, t & c’s, etc.) are available prior to inviting tenders.	No Baseline	TBC
Percentage of contracts over £25,000 where a tender exercise is undertaken but no award is made.	No Baseline	TBC
Percentage of contracts over £25,000 where the contract award amount is no more than the estimated budget.	No Baseline	TBC
Percentage of contracts over £25,000 where the final contract cost is no more than the tender award amount.	No Baseline	TBC
Percentage of contracts over £25,000 with a signed or sealed contract in place within 6 weeks of the contract award.	No Baseline	TBC
Percentage of goods, services and works procured through purchasing arrangements established by the National Procurement Service.		N/A

NOTE: Where no baseline data has been provided, the information is currently unavailable. In most cases this data will be provided through the electronic procurement system for which full compliance is required from 1 January 2017. Once a year of use of the electronic system has been completed, baselines will be provided.

OUTCOME 2

Flintshire County Council improves the contribution its procurement activity has on the local economy

The council's spend is a major driver for local economic development and creation of a thriving and prosperous economy. However, the need to deliver savings and efficiency improvements will invariably lead to a reduction in the number of suppliers and contractors that directly trade with the council. To ensure that our procurement activity continues to have a positive impact on the local economy, it is important for us to look at ways to improve access to the council and its business opportunities and to support the development of local suppliers. We want to be confident that our procurement policies and procedures do not disadvantage local businesses, and that they find it easy to do business with us.

We will work to achieve this outcome by:

1. Working proactively on **local supplier development** to ensure that businesses and the third sector are aware of the opportunities to sell to the council and are capable of submitting high quality bids to opportunities that arise;
2. Developing **new approaches** to how we structure our offers to the market and related contracts to ensure we create opportunities for local businesses to bid and potentially win business from the council;
3. Delivering more and better **community benefits** through the procurement process

Local Supplier Development

Why is this important?

With the likelihood of the amount the Council spends on goods, works and services reducing year on year for the foreseeable future, it is ever more important to ensure that where we are spending there are opportunities for Flintshire based businesses to bid for and win contracts with the Council. To ensure this is the case, we need to be working closely with key partners like the Federation of Small Businesses (FSB), North Wales Business Council and Business Wales to provide the advice and support Flintshire's business community will need to submit good quality bids for contracts the Council advertises.

Where we want to be

By the end of the strategy period (2021) we want to demonstrably be providing more and better opportunities for local businesses to purchase from the Council.

New Approaches

Why is this important?

As well as the external-facing support we need to provide to businesses, we also need to look internally and consider how we approach the market for the goods, services and works that we require. The manner in which we do this can have a significant impact on how attractive and accessible that offer will be to Flintshire based businesses. For example, a bid evaluation process and contract that includes criteria for after-sales service or minimum response times will create opportunities for local businesses, whereas contracts that exclude these type of requirements may not. We also need to make sure that it as straightforward as possible to do business with us by reviewing, simplifying and standardising processes we require businesses to follow when bidding to supply the Council and subsequently in delivering contracts.

Where we want to be

By the end of the strategy period (2021) we want to be confident that our procurement policies and procedures do not disadvantage local businesses, and that they find it easy to do business with us.

Community Benefits




Why is this important?

Community benefits are contractual clauses which can be used to build a range of economic, social, or environmental conditions into the delivery of our contracts. They allow us to align our procurement activity with our corporate objectives and in so doing contribute to our ambition of developing the local economy, creating more jobs and tackling poverty in the county.

Where we want to be

By the end of the strategy period (2021) we want to demonstrably be delivering more and better community benefits through the procurement process

Measuring our progress for Outcome 2

Annual High Level Indicators	2015 baseline	Desired Trend
% of council spend with Flintshire businesses	31%	
% of council spend with North Wales businesses	52%	
% of council spend with Welsh businesses	59%	
% of council spend with businesses in the Mersey/Dee Alliance area	TBC	TBC
% of Flintshire based suppliers to whom the Council has made a payment who are registered on the Proactis Portal.	No Baseline	TBC
% of suppliers categorising the council as “very good” or “good” at contract end in supplier satisfaction surveys	No Baseline	TBC

Annual Performance Measures	2015 baseline	Desired Trend
% of offers to the market with at least one Flintshire based business bidding at the Low Value threshold (£10,001 to £25,000)	No Baseline	TBC
% of offers to the market with at least one Flintshire based business bidding at the Intermediate Value threshold (£25,001 to OJEU)	No Baseline	TBC
% of offers to the market with at least one Flintshire based business bidding at the High Value threshold (OJEU)	No Baseline	TBC
% of bids received from Flintshire based businesses as a proportion of total bids received at the Low Value threshold	No Baseline	TBC
% of bids received from Flintshire based businesses as a proportion of total bids received at the Intermediate Value threshold	No Baseline	TBC
% of bids received from Flintshire based businesses as a proportion of total bids received at the High Value threshold	No Baseline	TBC
% of successful bids from Flintshire based businesses as a proportion of the total number of successful bids at the Low Value threshold	No Baseline	TBC
% of successful bids from Flintshire based businesses as a proportion of the total number of successful bids at the Intermediate Value threshold	No Baseline	TBC
% of successful bids from Flintshire based businesses as a proportion of the total number of successful bids at the High Value threshold	No Baseline	TBC
% of contracts awarded in the financial year over £1,000,000 with community benefits included in contract documents	No Baseline	TBC
% of contracts awarded in the financial year under £1,000,000 with community benefits included in contract documents	No Baseline	TBC

NOTE: Where no baseline data has been provided, the information is currently unavailable. In most cases this data will be provided through the electronic procurement system for which full compliance is required from 1 January 2017. Once a year of use of the electronic system has been completed, baselines will be provided.