
Bath & North East
Somerset Council

Improving People's Lives

Procurement Strategy

2024



Contents

Introduction	3
Delivering best value and good governance	4
Embedding sustainability and climate action in to all procurement activity	6
Providing opportunity for economic, social and environmental wellbeing	7
Enhancing the supply market	8
Improving contract and commercial management	9
Building skills and capability	10
Implementing, monitoring and tracking progress of delivery	11

Introduction

We are at an exciting time in public sector procurement with the UK's Procurement Act 2023 coming into force, bringing with it the challenges of a major overhaul of the procurement rules for many decades. However, along with the challenges, this brings with it the opportunity to ensure our procurement activities are ambitious, robust and fit for purpose, and to take advantage of a new procurement regime.

The purpose of this strategy is to set out the council's guiding principles and ambitions for our procurement activity. Whether you're a councillor, senior manager or budget holder at the council, or one of our suppliers or partners it will help you understand what the council is aiming to achieve through our procurement activity. The Strategy will define our organisational approach to procurement and will provide assurance that we will continue to spend public money in a way which is fair, accountable and achieves the very best value.

Our vision is to ensure that all of the council's procurement activity is delivered in a manner that considers our guiding principles and ambitions, not only from a purely procurement perspective but also taking into account the wider commitments in our Corporate Strategy.

Our procurement activity and decisions have a direct impact on the council's budget, the quality and cost of services to our citizens and delivery of our corporate and service objectives. The way in which we conduct our procurement activity also has an impact on our suppliers and potential suppliers to the council and we hope that this strategy will enable us to provide greater transparency and consistency in our activities.

There are six priority themes in this strategy; delivering on the first three will ensure that we achieve our procurement and council aims and ambitions; the second three are the strong enablers that will ensure that we have the tools in place to do so. We have a devolved procurement structure and embedding the six priority themes will ensure that procurement activity across the council is robust and consistent.

1. Delivering best value and good governance
2. Embedding sustainability and climate action in to all procurement activity
3. Providing opportunity for economic, social and environmental wellbeing
4. Enhancing the supply market
5. Improving contract and commercial management
6. Building skills and capability



1. Delivering best value and good governance

1.1 Ambition

Delivering best value is at the heart of procurement and is of critical importance within the wider context of financial challenges and increased demand for services within local government. Achieving the very best value is about more than efficiency, savings and managing risk.

The operating environment for local authorities has shifted significantly in recent years as a result of wider geo-political events, meaning less surety in the outcome of commercial contracting and greater financial risks.

The council must ensure that procurement activity is robustly planned, to deliver the desired outcomes, deliver best value and to take advantage of collaborative opportunities available to us.

Strong governance processes will ensure appropriate oversight of the council's procurement activity, alignment with the Corporate Strategy, adherence to relevant legislation and the council's own Contract Standing Orders.

1.2 Outcomes

The expertise of the Strategic Procurement Team is focussed on high value, high risk procurement processes, working with services across the council.

Council contracts are awarded and managed to optimise council funding, taking into account cost, delivery and whole life benefits.

Verified spend data is utilised and informs our future procurements and current contracting in an appropriate and proportionate manner.

Internal processes, procedures and Contract Standing Orders are optimised and efficient, enabling the council to procure effectively.

Opportunities to collaborate with other local authorities and public bodies are explored and taken where appropriate.

Improved visibility and transparency of council procurement options and decisions, to increase the opportunity for scrutiny and market engagement.

1.3 Activities

Build upon and promote the use of spend data dashboards in the development of reports, business cases and options analyses across the whole council.

Introduce Commissioning & Procurement Plans, gateways and contract award reports into the governance processes to ensure all relevant factors are considered and relevant parties are engaged before spend decisions are taken.

Work with local partners and public bodies to develop and deliver a joint collaborative working project plan, with outcomes recorded.

Implement procurement tools and methodologies for council officers, ensuring that they are able to maximise opportunities to deliver best value outcomes through the procurement cycle activity.

Review and update the Contract Standing Orders to ensure effort and resource is focussed on the high-cost and high-risk commercial relationships.



2. Embedding sustainability and climate action in to all procurement activity

2.1 Ambition

B&NES council declared a Climate Emergency in 2019 and an Ecological Emergency in 2020 and have embedded the resolution to focus on sustainability in the Corporate Strategy.

The council's spending can have a significant impact on helping the council to achieve its carbon net zero ambitions, influencing the approach to climate change mitigation and driving sustainability within the local authority area. Whilst we have made progress, we must try to do more.

Therefore, the council's approach to procurement and contract management must be harnessed to support the council's resolution and strategy.

Our decisions about what we buy, who we buy it from and the way we buy it can have significant wider environmental, economic and social impacts, thereby contribute to achieving one of the council's core policies: tackling the climate and nature emergency.

2.2 Outcomes

The climate and sustainability impact of the council's spending decisions are fully considered and appropriately built into procurement requirements, driving down carbon emissions and contributing towards the net zero ambition.

Measurable sustainability and climate data is available in contracts and is used to improve services and drive change.

Council contracting considers the changing climate and takes action to reduce detrimental impacts, influencing emission reductions from outsourced and contracted council services.

A supply base that is aware of and embraces the council's declarations, policy and strategy in relation to sustainability, passing that commitment on to other organisations and supporting delivery of "a Greener and more sustainable B&NES" (Economic Strategy).

2.3 Activities

Explore the establishment of a methodology for measuring and reporting of climate and sustainability targets and impacts during contract delivery, creating data that can be used to improve services and drive change, including (but not limited to) utilising the existing baseline data for Scope 3 emissions.

Engage with the Sustainable Economy team to provide expertise to service teams in procurements and ensure standard documentation contains minimum standards for supplying to the council.

Develop and deploy workable models in conjunction with the Sustainable Economy team for use in procurement evaluations to allow assessment of climate and sustainability.

As part our market engagement activities and plans we will work with our supply markets to ensure they are aware of our ambitions and learn from them what constitutes current sustainability best practice.

3. Providing opportunity for economic, social and environmental wellbeing

3.1 Ambition

The Public Services (Social Value) Act 2012 was enacted to ensure public sector organisations are taking the social, economic and environmental value delivered by their contracts into account.

The Act places a duty on the council to "consider, prior to undertaking the procurement/ commissioning process, how any services procured might improve economic, social and environmental well-being".

Whilst we operate in a challenging environment, in which savings will always be a factor for consideration, we need a strategy which also focuses on achieving additional outcomes from our procurement activity, at no extra cost.

By leveraging our procurement expenditure and engaging with suppliers we can help the council enhance outcomes for our communities through increased social, economic and environmental value.

This will directly support the overall priorities of the council as set out in the Corporate Strategy.

3.2 Outcomes

A proportionate and effective Social Value Policy, with supporting methodology / toolkit, is embedded across the council.

The council is able to record and track Social Value outcomes delivered through contracts with third parties.

Procurement processes consistently consider Social Value and are designed to ensure suppliers make worthwhile and deliverable Social Value commitments through the tender process.

The council seeks to improve economic, social and environmental wellbeing from our contracts, over and above the delivery of the services directly required by exploring how those activities can deliver the council's wider strategic outcomes at no extra cost.

Expenditure on contracts is leveraged and suppliers are engaged to enhance our communities through increased social value.

3.3 Activities

Review and re-launch the B&NES social value policy and model, including provision of templates, processes and training to all relevant officers.

Implement a clear impact measurement mechanism, for delivery of Social Value and wellbeing outcomes and impact to be reported on.

Ensure that Social Value is built into Contract Management processes, so that commitments made by suppliers during tender processes are delivered during the contract term.

Explicitly link Social Value to the Corporate Strategy to create a clear strategic link between council aims and outcomes, including (but not limited to) consideration of the efforts to reduce health inequalities.

4. Enhancing the supply market

4.1 Ambition

B&NES external spend is in excess of £300m per annum which must be used to both deliver services now and plan ahead to ensure future delivery.

We recognise the importance of a supply market that has developed to meet our needs and understand that by directing our spend effectively and engaging with the market appropriately we can help the market grow and create a vibrant and sustainable marketplace who can create innovative and lasting service solutions.

We will seek to maximise the benefit offered by our local supply base, supporting our Corporate and Economic Strategies.

4.2 Outcomes

All suppliers are able to access opportunities to apply to work for the council if they wish to do so.

The council works with our local supply market, helping to develop “a prosperous new economy”, in support of the council's Economic Strategy and to support delivery of the council's sustainability targets, seeking to take advantage of legislation updates where appropriate.

The supply market has early visibility of upcoming opportunities and a good understanding of how they access these opportunities.

Supplier markets are appropriately engaged during the pre-tender phase, allowing input and development of Commissioning and Procurement Plans and encouraging innovation that drives best value.

The council engages with, and influences, the supply market and potential suppliers in order to drive innovation and develop new ideas around service delivery.

4.3 Activities

B&NES regularly update and publish a pipeline of upcoming procurement opportunities and work with partners such as FSB and the council's Business and Skills Team to raise awareness across the market.

Commissioners and procurers ensure an appropriate level of early market engagement is included in projects when developing Commissioning and Procurement Plans.

Conduct a review of procurement documentation and processes to ensure suitability for all markets and suppliers.

Assess and review B&NES engagement with supplier groups, including but not limited to SME and VCSE organisations, to develop an action plan for improved market access.

Analyse and assess the council's supply base to understand market pressures and composition.

Maximise the opportunities offered by the Procurement Act 2023 in respect of engaging with local supply market where appropriate.

5. Improving contract and commercial management

5.1 Ambition

Many of the council's key services are delivered by third-party suppliers. It is therefore vitally important to effectively manage these commercial relationships, ensuring that the organisation delivers better services, mitigates risk and has improved control over costs.

Failure to manage contracts properly may lead to inefficiencies, poor contractor performance or commercial failure which can seriously damage the council's reputation and ability to deliver effective services, support our communities and deliver against our corporate ambitions and priorities.

We will embed improved contract management throughout the contract lifecycle, providing the framework and tools to comply with the Procurement Act 2023 and to manage the exposure to commercial, contractual and reputational risk.

5.2 Outcomes

Contracts with third-parties are robustly managed by the council, using an established and consistent corporate approach to contract management which includes the tiering of suppliers ensuring proportionality.

Introducing a new contract management framework will improve contract management across the council with clear lines of reporting and responsibility, ensuring that contracts are delivering or exceeding their quality, service and cost targets.

There is visibility of contract performance in relation to the council's key contracts and improved assurance on delivery.

Contracts are proactively managed to ensure that the value negotiated through the procurement process is retained, continuous improvement is realised and additional value is unlocked where possible.

5.3 Activities

Introduce a consistent, risk-based contract management framework with accompanying tools, comprehensive training and support for all officers who are involved in managing contracts with third-parties.

All key contracts have a named contract manager who has clear responsibilities and understands the contract performance reporting requirements and the importance of developing appropriate relationships with suppliers.

Contracts are based on terms and conditions which allow for appropriate and proactive contract management.

Ensure that data on contract performance is reported on corporately for the council's key contracts. Introduce a consistent approach to commercial risk management using established tools and techniques.

6. Building skills and capability

6.1 Ambition

Public procurement is a skills and knowledge grounded discipline which requires regular development to maintain an up-to-date skill set. We will ensure that procurement officers have the right skills and capabilities to support the council appropriately and effectively.

The Strategic Procurement Team will provide advice, guidance and supporting documentation to increase procurement and contract management skills and knowledge levels across the council, improving our overall compliance, governance and contracting strategies.

As procurement is undertaken by officers outside the procurement team, appropriate skills and understanding must be shared and held across the council.

6.2 Outcomes

The council is supported by a skilled and knowledgeable Strategic Procurement Team who are able to offer support, advice and guidance on procurement activity.

Officers influencing procurement outside of the Strategic Procurement Team are appropriately trained and are able to access guidance, documentation, templates, training and advice to support their procurement activity.

The Strategic Procurement Team have a clear understanding of their capabilities and development plans in place to support ongoing development of technical skills.

The organisation has a good understanding of the Procurement Act 2023, is able to harness the opportunities presented by the new legislation and has embedded the requirements across the organisation.

Officers involved in procurement and contract management activity apply a commercial mindset, harnessing opportunities to secure best value and maximise added value in contractual relationships.

6.3 Activities

Develop clear multi-year training & development plans for the Strategic Procurement Team.

A full suite of guidance, templates, advice and training is developed and made easily available for council officer use.

Strategic Procurement Team members keep fully abreast of the Procurement Act 2023 changes, become familiar with the new requirements and are able to provide support and guidance across the organisation to ensure we maximise the opportunities and meet the various requirements of the legislation.

Consider the impact of any changes to the organisation's commissioning approach and structure, and the subsequent implications in respect of procurement related skills and capability.

Implementing, monitoring and tracking progress of delivery

We will develop a realistic and achievable Delivery Plan which will include metrics to evaluate the progress of the activities contained in the strategy. The timeframes for delivery will be subject to various factors such as level of appropriate resources and organisational readiness.

The Delivery Plan will be reviewed on an annual basis and will be reported to the Procurement Steering Group for oversight.

