

# COUNCIL

25 MARCH 2025

## REFERENCE FROM CABINET

### A.2 ADOPTION OF A PROCUREMENT STRATEGY

(Report prepared by Ian Ford)

#### PART 1 – KEY INFORMATION

##### **PURPOSE OF THE REPORT**

The Council is asked to consider the recommendation submitted to it by the Cabinet in respect of the adoption of a Procurement Strategy for the Council.

##### **EXECUTIVE SUMMARY**

At its meeting held on 21 February 2025 (Minute 129 refers), the Cabinet had considered a report of the Assets and Community Safety Portfolio Holder (A.2) which had updated it on the progress of the collaboration procurement service, known as Essex Procurement Partnership and which sought its approval for the Collaboration Agreement to be entered into, replacing the arrangement directly with Essex County Council and endorsing the proposed Procurement Strategy for Essex Procurement Partnership (EPP), as the interim strategy for the Council.

In relation to the proposed Procurement Strategy Cabinet had been informed that the Procurement Strategy, provided as Appendix B to the Portfolio Holder's report (A.2), set out the rationale for the Collaboration, Vision, Goals, Scope and Remit, and Strategic Priorities and Actions of EPP for the next three years and would be expected to apply to procurement within the Council. This sought to deliver the agreed objectives as set out and, in particular, outlined how EPP would do so over the next three years in line with the Procurement Act 2023.

Cabinet Members were cognisant that current guidance documents produced by the Government highlighted the four stages of the commercial pathway being Plan, Define, Procure and Manage and the Strategy provided more detail on those stages, but all services across the Council would note that the procurement phase, was the third one out of four. More attention to preparation resources and groundwork being provided by the commissioning service area should be placed on the first two parts to ensure the Council could make the most of the flexibilities the new Act provided by being clear of the service's intentions through the required notices.

It was set out that EPP would review and update its Procurement Strategy annually to ensure that it remained relevant and responsive to the changing needs and circumstances of the Authorities including new legislation and national policy. EPP would monitor and report on the progress and performance of this Procurement Strategy to Members and stakeholders.

It was recognised that the new Act introduced a shift in procurement objectives, moving beyond the traditional focus on equal treatment and non-discrimination. Now, contracting authorities were mandated to deliver value for money, maximise public benefit and act with integrity throughout the procurement process.

Cabinet had been made aware that the Government's National Procurement Policy

Statement (NPPS) had been published on 13th February 2025 in readiness for the Act going live on 24th February 2025 and came into effect on the same date. The NPPS applied to all contracting authorities as defined in the Act. The Procurement Strategy supported the priorities of the NPPS.

Cabinet recognised that a number of benefits would be achieved to EPP members, so benefiting Essex residents which included:-

- *Increased resilience – through more resource, EPP was able to better flex to the peaks and troughs of each Authority and enabled effective delivery of projects in Districts improving the services residents received.*
- *Procurement Expertise – By operating across multiple authorities, staff were able to specialise in categories of spend, with more procurement activity in those categories. The result of this should be more informed procurements which in turn would deliver better value for money for the District's residents.*
- *Category Spend management and strategic oversight for consolidation opportunities – Ensuring the Council could have regard to the importance of achieving value for money, as this was always the overarching priority in public procurement. Government guidance (e.g. Managing Public Money and Best Value statutory guidance) set out how to use public money responsibly.*
- *Savings Opportunities & Increased Market Influence – Through a common forward plan of procurements required, and working as a team, the Member Authorities would be able to better identify collaborative procurement opportunities. This gave the opportunity to combine spend, creating economies of scale and so delivering contractual savings. Additional benefits would be achieved through efficiency in the resource model, with collaborative procurements enabling fewer tender processes to be undertaken. Over time, as the team developed, savings in the staff model would be enabled so reducing the overall cost of the team to member authorities.*
- *Reduced Duplication – Working together to have one common approach to procuring and social value would both create efficiencies for the procurement team and reduce the administrative burden to those bidding for procurements. Small to Medium Enterprises and Voluntary Sector Organisations who tended to have limited resources to bid, should be particularly advantaged by this approach.*
- *Staff Retention and Improved Practice – By collaborating together, efficiencies would be created to enable the delivery of professional procurement practice. The common approach to assessing Social Value was an example of this. Other examples included work to understand the market from which the Authorities were sourcing, introducing an industry recognised category management approach to drive better value for money in Districts and Boroughs.*
- *Governance – ensuring the Member Authorities had appropriate and proportionate controls, systems and standards to manage procurement risk and to comply with legal requirements.*

It was also felt that the adoption of the EPP Procurement Strategy for the Council to deliver in line with and publication on the Council's web page set a clear direction of the next three years, in line with the requirements of the Act and the National Procurement Policy Statement.

It had been "RESOLVED that Cabinet -

- (a) agrees to enter into a Collaboration Agreement for the delivery of joint procurement services for a three-year period on substantially the same terms as set out in Appendix A of the Portfolio Holder's report (A.2) with:

- Braintree District Council
- Castle Point Borough Council
- Epping Forest District Council
- Essex County Council

- (b) authorises the Director for Governance, being responsible for the Council’s corporate procurement function, to sign the final Collaboration Agreement on behalf of the Council;
- (c) agrees that Essex County Council should be the Accountable Body under the Collaboration Agreement acting as Lead Party, which includes responsibility for the day-to-day management of the service and its financial administration and managing seconded staff;
- (d) notes that the Collaboration Agreement provides for annual contributions from the Council, which can be met from within existing budgets, although subject to review as part of the annual budget setting cycle to respond to changes such as inflationary increases;
- (e) notes that further secondment or employment of staff to Essex County Council to support Essex Procurement Partnership, is fully and jointly funded by its Member Authorities;
- (f) supports exploration of additional resource to support the legal support to the Essex Procurement Partnership, in particular for procurement and contract legal advice;
- (g) endorses the continuous improvement approach as identified seeking views on the existing partnership and joint working through an internal questionnaire to feed into the arrangement for the next three years;
- (h) **approves the Procurement Strategy for recommendation onto Full Council for adoption as required by the Council’s Policy Framework;** and.
- (i) instructs Officers to regularly update the Portfolio Holder for Assets and Community Safety, as being responsible for procurement on the content and quality of the Council’s Contract Register and Procurement Project Pipeline ensuring it is kept up to date, enabling Council projects and business as usual can be delivered through the approved Essex Procurement Partnership Prioritisation Approach.”

Resolution (h) above is pertinent to this report.

A copy of the published Assets and Community Safety Portfolio Holder’s report (and its appendices) to the Cabinet meeting held on 21 February 2025 is attached to this report.

## **RECOMMENDATIONS**

**That Council, having considered this reference report from Cabinet, approves and adopts the Procurement Strategy, as set out in Appendix 1 hereto.**

## **BACKGROUND PAPERS FOR THE DECISION**

Published Minutes of the meeting of the Cabinet held on 21 February 2025.

## **APPENDICES**

**APPENDIX 1** = Procurement Strategy for Adoption

**APPENDIX 2** = Published A.2 Report (and Appendix A) of the Assets and Community Safety Portfolio Holder for the meeting of the Cabinet held on 21 February 2025