

Procurement Strategy

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This document is held by Tamworth Borough Council, and the document owner is Jo Goodfellow, Assistant Director Finance.

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Revision History

Revision Date	Version Control	Summary of changes
2013/14	1.01.01	Initial version
14/11/24	1.01.02	The majority of the document has been updated and requires review; headings remain the same.

Approvals

Name	Title	Approved
Cabinet		
CMT	Group Approval	Yes 14/11/24
Joanne Goodfellow	Assistant Director Finance	Yes
Emma Dyer	Operations Accountant	Yes

Document Review Plans

This document is subject to a scheduled annual review. Updates shall be made in accordance with business requirements and changes and will be with agreement with the document owner.

Distribution

The document will be available on the Intranet and the website.

Security Classification

This document is classified as Official

INTRODUCTION

This Strategy represents Tamworth Borough Council's Procurement aims and objectives for 2024/25 and 2025/26 and will be revised again in line with the new Corporate Plan.

The aim of the Strategy is to establish a comprehensive framework used by Tamworth Borough Council to plan, manage, and execute the purchasing of goods, services, and works. The strategy aims to ensure that procurement activities align with the authority's objectives, budgetary constraints, legal requirements, and social responsibilities, while achieving value for money. Effective procurement strategies are key to delivering public services efficiently and driving local economic and social outcomes.

Set in the beautiful county of Staffordshire, Tamworth is a vibrant town with a rich heritage. Located in the centre of Britain, with a growing population of over 77,000 people, Tamworth is a borough with much to be proud of. Our transport links, unique shopping experience, developing town centre, green spaces, leisure offer, including our cultural and wide-ranging outdoor events programme, as well as our historic buildings, all help make it a great place to live, work and visit.

In addition to all that Tamworth already has to offer, exciting times are ahead as we are about to embark on a period of significant transformation. Multi-million-pound projects, such as the Future High Streets development and UK Shared Prosperity Funding will help to bring about lasting change and improvements for the future.

Our vision is 'Tamworth – celebrating our heritage, creating a better future.'

- **COMMISSIONING, PROCUREMENT AND PURCHASING**

It is important to define Commissioning, Procurement and Purchasing activities, as they are each quite different. Commissioning is the process of establishing the services the citizen wants or needs, and then deciding on the best way to deliver those services, be it in-house, via the third sector, private sector or other public sector provider ('make or buy'). If the decision is made to buy those services in, this then becomes a procurement activity.

Procurement is the process of acquiring goods, works and services. It involves establishing requirements, producing a tender specification, sourcing, and evaluating the supply, and negotiating contracts.

Purchasing is part of the wider Procurement process and refers to the process of ordering and receiving goods and services, e.g., raising a purchase order.

Effective Procurement should support the Council's corporate objectives, and above all should secure value for money. Procurement is a key element in delivering 'more for less' and in supporting the Council in delivering services under ever tighter financial constraints.

CURRENT POSITION

Procurement at Tamworth Borough Council sits under the Operations Accountant within the Corporate Finance team. The Corporate Procurement Officer directly reports to the Operations Accountant and is provided with some support from the Accountancy Assistants within the Corporate Finance Team.

Procurement promotes the use of technology in our tender processes, making use of In-Tend to manage tenders and quotations. There is limited budget to buy in external support where needed, i.e. highly complex tenders or contracts which require a level of specialist knowledge.

The Procurement team use Pentana to keep a record of the Council's Contracts and have developed a Pipeline document for strategic planning of work with a view to publishing this to provide additional information to suppliers on upcoming procurement projects. Procurement procedure notes and guidance have recently been updated in line with updates to the Council's Financial Guidance and are available with standard documentation/templates on the intranet.

We undertake regular reviews of spend across the Council, to identify areas where contracts should be in place, and work with managers to ensure their procurement activities are compliant with Standing Orders and Financial Guidance, and wider UK legislation. Quarterly Procurement update reports are presented to CMT detailing activity undertaken, highlighting current issues with the procedures for publishing tenders and providing a review of the contract register, pipeline and quarterly and cumulative spend.

PROCUREMENT OBJECTIVES & VISION

- To ensure the Council procures goods and services that deliver value for money for the people of Tamworth whilst contributing to the achievement of the Corporate Priorities.
- To make it easier for suppliers of goods and services to do business with the Council; in particular supporting SMEs and local businesses where appropriate.
- To provide clear manageable procurement processes, that promote consistency and best practice across the Council.
- To ensure that all procurement is undertaken in a legal and professional manner with high standards of probity, transparency, and accountability.
- To contribute to the achievement of budgetary savings.
- To make use of technology to improve procurement processes and increase efficiency.
- To ensure managers see good procurement practice as adding value, not a hurdle to be overcome.
- To be transparent, ensuring that procurement processes are open, clear, and accessible to all suppliers and information on the council's procurement contracts are easily accessible.
- Delivering added social, economic, and environmental benefits to the local community (e.g., local jobs, apprenticeships, or sustainability initiatives) through our social value policy.
- Committing to sustainable procurement practices, including environmental and ethical considerations.

- Promoting innovation in goods and services to improve quality, efficiency, and service delivery.
- Ensuring the council is prepared and fully aware of the changes that will come into place on 24th February 2025 when the new Procurement Act 23 comes into force.

PLANS TO ACHIEVE OBJECTIVES

There are a number of key elements in our strategy for procurement:

1. Allocating key responsibilities
2. Promotion of standard procurement processes and documentation
3. Training and support for procurement
4. Operating legally and ethically
5. Having regard to Social Value
6. Value for Money
7. Managing procurement risks consistently
8. Working with others
9. Providing clear information and access to all potential suppliers
10. Managing performance and improvement
11. Prioritising and action planning

1. Allocating key responsibilities

It is important that responsibilities are clearly defined, and that staff, managers and members are aware of their roles.

The Assistant Director of Finance is the Corporate Management Lead to ensure that Procurement is adequately funded and managed.

The Operations Accountant is the strategic lead, responsible for developing procurement across the Authority.

The Corporate Procurement Officer is responsible for the following: -

- providing advice and support to procurement lead officers and contract managers on procurement issues queries and projects.
- provide guidance on the use of the In-tend system.
- advising on compliance with Standing Orders, Financial Guidance, and procurement and legal regulations.
- supporting managers/lead officers in writing specifications and preparation of suitable tender documentation – providing a consistent corporate approach.
- support with setting compliant selection and award criteria and requesting submission of suitable information to enable evaluation.
- support with drafting and issuing Invitations to Tender (ITT) and managing correspondence, clarifications, etc, on In-tend.
- management of appropriate standstill period and awarding of contracts.
- updating the contract register and pipeline documents where data is provided
- producing transparency information

Legal services provide legal support and advice with regard to procurement issues.

In some cases, a procurement project will require specialist procurement or legal knowledge, or expertise in a particular technical or service area. This should be identified at the earliest stages of the project, and arrangements discussed and agreed with the Procurement team and the relevant project team members/Director. Funding such external support will need to be factored into the overall cost of the procurement and budgetary provision established.

All Assistant Directors/Heads of Service are responsible for ensuring their service's procurement activities comply with the Council's Financial Guidance and procurement procedures, and with legislative requirements. They must ensure they notify the Corporate Procurement Officer of all activity in the timescales set out in Financial Guidance. They are also responsible for ensuring that the Contract Register is up to date and copies of all contracts are sent to the Procurement Team.

Procurement guidance notes for Contract Managers and Procurement Lead Officers can be found here <https://infozone.tamworth.gov.uk/procurement>

STRATEGY TO IMPROVE

Provide guidance and training on Specification Writing, the Evaluation Process, and Contract Management to procurement leads and contract managers.

Ensure all officers involved in procurement are aware of the new Procurement Act Regulations by providing training and guidance notes. Signpost officers to the guidance produced by procurement outlining their roles and responsibilities and detailing the procurement process.

2. Promotion of Standard Procurement Processes and Documentation

The council has clearly defined procurement processes and procedures which are easily accessible on the intranet. The procurement department also have their own clearly defined processes and procedures for internal use.

All procurement documentation, policies and procedures are currently being reviewed in light of the new Procurement Act 23 including the Council's Financial Regulations. The current procurement threshold is £5k and above. For expenditure under £5K three written quotations must be obtained and records of these must be retained by the service area. No written contract is required.

The advice of the Corporate Procurement Officer should be sought on orders over £5K in order to establish the most appropriate procurement route, and with a view to identifying opportunities to use an existing framework, or to utilise a collaborative arrangement. Standard documentation such as QQ and tender documentation is available and can be completed under the guidance of the Corporate Procurement Officer. All tenders and Quick Quote opportunities are advertised and managed via the In-Tend system, providing a secure, consistent approach to retaining documentation.

The contract register should be completed with details of the contract by the budget holder/manager in conjunction with the Corporate Procurement Officer. This will assist in managing and monitoring contracts which are due for renewal/re-tendering and enable proactive procurement planning. It is also crucial for meeting the Council's obligations under the transparency code and the requirements of the Community Right to Challenge legislation.

The Corporate Procurement Officer will assist managers with completing standard contract documentation, and standard templates and contract terms and conditions are available.

STRATEGY TO IMPROVE

Procurement to provide PA 23 training sessions to relevant officers, update and enhance the suite of Procurement Documents available on infozone to include guidance on specification writing, the evaluation process, contract management, pentana guidance. Ensure as per the PA 23 action plan that all Procurement Documents are listed on a document register and updated in line with PA23 and reviewed annually.

3. Training and Support for Procurement

The Corporate Procurement Officer will provide general support and co-ordination for procurement including supporting and advising on tendering, specifications, the evaluation process, framework agreements, contracts and general procurement; and for gathering and sharing procurement intelligence, current developments and good practice and identifying opportunities for improvement.

However, it is also crucial that staff and managers across the Council are appropriately trained to ensure that procurement activities are effective, deliver value for money, and are carried out within the legal and regulatory framework. Public procurement Regulations are changing with the new Procurement Act 23 coming into force on 24th February 2025 and it is important that Tamworth Borough Council are fully prepared and aware of the changes coming into place. Financial Guidance, Procurement Processes and the procurement flowchart on the website details the appropriate procurement route to take, and the Corporate Procurement Officer will advise officers on the implications of the legal framework within which procurement operates.

STRATEGY TO IMPROVE

Although guidance and procedures are available on infozone and within Financial Guidance, this needs to be embedded throughout the Council. It is imperative that there is an understanding of the rules and regulations to ensure that officers know when to contact the Corporate Procurement Officer for involvement in their projects.

There is also a need for training in certain areas of the procurement process, such as guidance on writing a tender/specification, guidance on the evaluation process, training on contract management and training on the new PA 23 act. PA 23 Act is covered under a separate action plan. The procurement officer is also working on guidance notes for the areas of weakness identified and will be rolling out contract management training in the new year. The council

will also continue to develop and access necessary training for the Procurement Officer in their role.

4. Operating Legally and Ethical

The Council will comply with all relevant legal and ethical standards that apply to procurement, including:

- Public Contract Regulations 2015 (PCRs)
- Procurement Act 23 with effect 24th February 2025
- National Procurement Strategy 2022
- Utilities Contracts Regulations 2016
- Financial regulations external and internal; all procurement will be undertaken in accordance with the Council's Standing Orders and Financial Regulations
- Health & Safety standards.
- TBC's Social Value Policy
- Environmental Impact and Sustainability; the Council will aim to procure from suppliers and to use goods and services which have the least impact on the environment and minimise energy consumption whilst maintaining quality and value for money.
- Equality and Diversity – We have a mandatory legal duty through the 2010 Equality Act to actively tackle discrimination and promote equality and diversity through equality of opportunity, good relations and positive attitudes; and eliminating harassment and unlawful discrimination. We will ensure that the promotion of equality of opportunity is incorporated into our evaluation and decision-making processes by evidencing all procurement decisions are transparent, honest, impartial, objective and we act with integrity and by ensuring that the council and our supply chain adhere to the principles of no discrimination in regard to age, disability, gender reassignment, marriage and civil partnership, pregnancy, race, religion, belief sex or sexual orientation.

STRATEGY TO IMPROVE

Tamworth Borough Council have produced a detailed action plan for how to ensure we are compliant with PA 23 and to ensure all documents, processes and procedures are updated. A register of procurement documents will be produced and reviewed on an annual basis. The Corporate Procurement Team have undertaken a self-assessment in line with The Local Government Association, using the National Procurement Strategy toolkit to identify a position against key themes and areas where improvements can be made. We have focused on three themes where we feel the current assessment level can be improved to reach the aspirational levels, we want the Council to achieve and included these in the action plan.

5. **Having Regard to Social Value in Procurement**

The 2012 Public Services (Social Value) Act and more recently Procurement Policy Statement (6/20) placed an obligation upon all councils to consider how they can secure social, economic and environmental benefits from the procurement of public contracts. The act requires the Council to have regard to the economic, social and environmental wellbeing of the area, and how such improvements might be secured, in procuring contracts for services

The Council adopted a social value policy in 2024 which requires suppliers to make a number of pledges subject to the value of the contract, Social Value is scored as part of the councils' evaluation process and clearly defined in the procurement process.

STRATEGY TO IMPROVE

The social value policy needs time to embed, and consideration needs to be given as to how best record and report the outcomes. The policy is new and will be reviewed on an annual basis and improvements made from lessons learnt. Social value outcomes will be reported to CMT annually and communicated to stakeholders via the TBC website.

6. **Delivering value for money (VFM)**

Procurement activity should focus on enabling the achievement of VFM in terms of both quality and cost. Whole life costing methodologies should be used when appropriate i.e., the consideration of the life cycle cost associated with any purchase. VFM is not about simply minimising upfront prices, it is getting the maximum value for every pound spent. This is how:

Core Principles for VFM and efficiency – fundamental to how we procure

- Ensure procurement opportunities align with council strategic objectives and vision – think how procurement will best achieve that
- Maintain consistent approaches and processes to how we procure
- Undertake early market engagement where appropriate and commensurate with the identified requirement
- Use collaboration & economies of scale to secure favourable pricing/ fees
- Develop outcome based tender specifications
- Seek out innovation (new ways of doing things) in how outcomes are delivered – challenge suppliers to be innovative
- Consider contract performance standards and penalties where appropriate – hold suppliers to account
- Use model terms and conditions of contract
- Maintain good contract management
- Monitor contract expenditure & volumes etc. and identify savings and efficiency opportunities
- Regular reviews of spend across the Council are carried out to identify where large spend is occurring for which there are no contracts in place, in order to identify opportunities to enter into a corporate contract.

STRATEGY TO IMPROVE

Training for all procurement lead officers on Contract Management to ensure that value for money is obtained through the life cycle of the contract and KPI's are measured where applicable. Action taken on reports of cumulative spend where savings can potentially be identified.

7. Managing Procurement Risks Consistently

The National Procurement strategy for Local Government recognises the relationship between risk and expenditure in managing procurement.

Procurement risk is the potential for losses due to the failure of the Council to properly manage and control its procurement process. Additionally, it can also arise from inadequate risk management processes and lack of visibility into the process. Procurement risks can include financial losses, reputational damage, and legal liabilities.

There are several different types of procurement risks that the Council must be aware of and consider during the procurement process. These include:

- Financial risk: This type of risk is related to the financial losses that could occur due to mismanagement of the procurement process. This could include budget over spends, inaccurate financial reporting, and lack of visibility into the process.
- Supplier risk: This type of risk is related to the potential for disruption of the supply chain due to supplier issues, such as supplier insolvency, quality issues, and breach of contract.
- Legal risk: This type of risk is related to potential legal issues that could arise due to mismanagement of the procurement process, such as contract disputes, intellectual property infringement, and antitrust violations.
- Operational risk: This type of risk is related to the potential for operational issues, such as delays, cost overruns, and quality issues.
- Reputational risk: This type of risk is related to the potential for damage to a company's reputation due to mismanagement of the procurement process.

Risk is managed by the Council by ensuring relevant checks are completed before contract award (Insurance, Financial Statements, References where applicable), through contract management, risk transfer through insurance and seeking expert external project management on larger contracts e.g. FHSF

The Council's overall approach to risk management is documented in its Risk Management Policy and the identification, management, control and documentation of risks to individual procurement projects should be held on Pentana.

Our procurement processes and risk management arrangements will be proportionate to the expenditure in question.

Procurement risk is reported in both the Corporate Risk Register and Finance's Operational Risk Report.

STRATEGY TO IMPROVE

Further development required in Contract Management and record keeping on Pentana.
Training to be provided by Procurement Officer & Operations Accountant.

8. Working With Others

Working with others for effective procurement means collaborative purchasing, shared commissioning, shared delivery of services and developing a partnership approach with suppliers where appropriate. Collaboration describes the various ways that councils and other bodies come together to combine their buying power to procure or commission goods or services jointly.

We work with other Local Authorities & Public Sector bodies to secure the best procurement deals for Tamworth. We make use of frameworks developed by national Government or other local authorities where they are available for us to use and when it is in our interest to do so.

STRATEGY TO IMPROVE

Our procurement officer is trying to build a network of contacts across other local authorities to support and engage and share best practices.

9. Providing Clear Information and Access to all Potential Suppliers

It is important to provide clear, up to date, user-friendly information to potential suppliers about selling to the Council.

We publish on the Council website information on doing business and selling to the Council, plus information on our procurement processes with instructions to suppliers with links as to how to register on In-Tend. Once suppliers are registered on the system they are notified of all potential tenders of interest to them. Guidance and support have also been published on the new Procurement Act 23 to prepare the Councils suppliers for these changes. Links to the government's knowledge drops specifically for suppliers and SMEs are available through the TBC website.

We are required under the Government's transparency agenda to publish to the web details of all spend of £500 and over on a monthly basis. We will continue to update and maintain the Contracts register and publish this on-line, and to publish forthcoming tender opportunities via In-Tend and on Contracts Finder where applicable.

STRATEGY TO IMPORVE

Update the TBC website with TBC's Procurement Strategy, Social Value Policy & Pipeline documentation and keep suppliers up to date on PA 23. Provide additional transparency information in line with PA 23 once this comes into force. Promote awareness amongst local businesses and SMEs of opportunities to work with the council.

10. Managing Performance and Improvement

Performance of the Procurement team and the achievement of the aims of this strategy will be measured using a range of indicators:

a. Efficient Procurement

- Awareness and use of existing framework agreements and collaborative procurement where appropriate.
- Timely re-tendering.
- Time taken from advertising requirement to award of contract.
- Suppliers paid within 10 and 30 days of invoices

b. Effective Procurement

- Level of competition as a result of the number of suppliers registering, expressing interest and submitting tenders via the In-tend system.
- Level of savings delivered via the procurement process.
- Number of small and local businesses participating in advertised tender/Quick Quote opportunities.
- Social Value outcomes

Other indicators will be developed as necessary in order to add value to monitoring and improving the performance of the Procurement function.

11. Prioritising and Action Planning

ACTION PLAN FOR 2024/25 to 2025/26

This action plan will be monitored by the Operations Accountant and Head of Finance and reported to CMT via the quarterly Procurement Reports.

	OBJECTIVE	ACTION	WHO IT AFFECTS	RESPONSIBLE OFFICER (S)	WHEN
1	Staff and managers are aware of their roles and responsibilities with regard to Procurement.	Document the roles and responsibilities of staff and the Procurement team within the updated Procurement strategy and as part of updated procedures/guidance within Financial Guidance and on the intranet.	All TBC Staff	Operations Accountant & Corporate Procurement Officer	March 2025
2	Ensure the Council is prepared for the new Procurement Act 23.	Separate Action Plan produced by procurement.	Budget holders and staff identified as undertaking procurement	Operations Accountant & Corporate Procurement Officer	Feb 2025

3	Staff are appropriately trained in TBC's procurement processes and are aware of their roles and responsibilities with regard to procurement legislation.	CMT CIPFA workshop on PA 23. Procurement to arrange a series of Procurement training sessions to cover roles and responsibilities; procurement processes and procedures, contract management, PA 23, Social Value Policy, Specification writing, Evaluation process etc.	Budget holders and staff identified as undertaking procurement	Operations Accountant & Corporate Procurement Officer	Ongoing
4	Budgetary savings achieved through the procurement process are identified and captured, to assist with achieving a balanced MTFS.	Work with managers more closely throughout the procurement process to identify and capture potential procurement savings and to stress the concept of demand management. Ensure CMT are aware of the opportunities for savings via Procurement update reports.	Budget holders and staff identified as undertaking procurement	Management Accountant & Corporate Procurement Officer	Ongoing
5	Support the local economy and improve opportunities to make savings by supporting local businesses and SMEs	Strengthen links between Procurement and SMEs to promote awareness amongst local businesses. Improve comms on the TBC website. Produce and publish a user-friendly pipeline document to provide useful information to local suppliers on upcoming procurement opportunities.	Procurement team	Corporate Procurement Officer and Operations Accountant	Ongoing
6	Develop and embed Social Value policy and report on outcomes	Working group set up to produce Social Value Policy & Pledges, this has been approved by CMT and needs sign off from members.	All TBC Staff	Corporate Procurement Officer and	Ongoing

		Consideration required on how to record and report the outcome. These will be presented and published on an annual basis.		Operations Accountant	
7	Improve Contract Management across the Council.	To develop a staff training programme to ensure robust Contract Management is undertaken for all contracts.	All contract managers	Corporate Procurement Officer and Operations Accountant	June 2025