

East Herts Council Report

Audit & Governance

Date of meeting: Tuesday 18 February 2025

Report by: Councillor Carl Brittain– Executive Member for Financial Sustainability

Report title: Corporate Procurement Strategy 2025-2030

Ward(s) affected: (All Wards);

Summary

Previously East Herts Council has followed the National Procurement Strategy for Local Government 2022. The new Corporate Procurement Strategy 2025-2030 will align the direction of procurement at East Herts with the LEAF priorities and bring key considerations from the National Strategy to the forefront.

RECOMMENDATIONS FOR AUDIT & GOVERNANCE COMMITTEE:

- a) to review the draft Corporate Procurement Strategy 2025-2030 and actions within it as set out in Appendix A and advise Executive of any significant issues.

1.0 Proposal(s)

1.1 The new Procurement Strategy will be underpinned by the Procurement Act 2023 which comes into force in February 2025. The new act reforms the existing procurement rules focussing on cutting red tape and supporting innovation, improving transparency meaning everyone has access to public procurement data, it simplifies the process of working with the public sector, supporting more SMEs to bid for contracts.

2.0 Background

2.1 Best practice dictates that organisations should have an overarching Procurement Strategy in place to offer clear guidance for

officers when procuring goods, works and services, whilst at the same time supporting the Council's priorities and strategic plan.

2.3 The procurement function plays an important role in achieving value for money, helping to support the economy, driving sustainability, social value and transparency, and mitigating the risk of legal challenge and fraud.

2.3 The Corporate Procurement Strategy 2025-2030 is included as Appendix A.

3.0 Reason(s)

3.1 The Council could just adopt the National Procurement Strategy 2022 as it has in previous years; it would offer procurement direction but not direct alignment with the Council's Vision and Corporate Priorities and focus specifically on the themes that are important to East Herts Council. For this reason, it is therefore recommended that the Council adopts its own Corporate Procurement Strategy to support the strategic direction of the Council.

3.2 The Corporate Procurement Strategy has been written around the principle of five 'Foundations'. Each 'Foundation' is a building block of the considerations that need to underpin the procurement process and will be embedded into the way the Council procures goods, works and service contracts to support the Council's Vision and Corporate Priorities.

- Transparency – The Council require all procuring departments to open procurements to competition by increasing awareness of contracting opportunities.
- Focus on the Environment – Tackling climate change and improving sustainability must be a key foundation for all procurement activity. By harnessing purchasing power the Council will help combat climate change and reduce carbon

emissions; reduce waste; save resources; improve air quality; and enhance green space and promote biodiversity.

- Social Value and Ethical Procurement - Social Value involves looking beyond prices of each individual contract and looking at what the collective benefit to a community is, when a public body chooses to award a contract. Social Value asks the question 'If £1 is spent on the delivery of services, can that same £1 be used to also produce a wider benefit to the community?
 - Value for Money – Procurement of services, supplies and works will be founded upon value for money for the residents of East Herts, having due regard to propriety and the Council's legal obligations.
 - Pro-active Procurement - The Council's Corporate Procurement team provide support that delivers better procurements to develop knowledge and intelligence, supporting the delivery of the Council's ambitions. The procurement process spans from the pre-market engagement, preparation, the tender and award and through to the final stage of contract management. The Council expects to form a pro-active approach at all stages in the procurement cycle taking stock and considering options to best meet the needs of the district.
- 3.3 There are delivery outcomes with dates for each of the five foundations set within the Strategy advising of commencement and completion. The strategy will be reviewed on an annual basis by the Corporate Procurement team to update on the progress of the delivery targets and to ensure that it continues to reflect the Council's Vision and Corporate Priorities.

4.0 Options

4.1 For the Council to continue following the National Procurement Strategy 2022 as in recent years.

4.2 For the Council to adopt the new Corporate Procurement Strategy 2025-2030 which will align directly with the Council's Corporate Vision and Priorities.

5.0 Risks

5.1 If a Corporate Procurement Strategy is not in place, then there is a risk that procurements undertaken do not comply with statutory requirements and the Council's own constitutional requirements.

5.2 If the Corporate Procurement Strategy is not adopted then it will increase the risk of procurements not supporting the Council's Vision and Corporate Priorities and/or leaving themselves open to challenge to non-compliant procurements.

6.0 Implications/Consultations

6.1

Community Safety

No implications as a result of this report

Data Protection

No implications as a result of this report

Equalities

The Council has committed itself to providing high quality services that are relevant to the needs and responsive to the views of all sections of the local community, irrespective of their race, gender, disability, culture, religion, age, sexual orientation or marital status. The General Equality Duty (Section 149 of the Equality Act 2010) requires the Council to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations in the exercise of its functions. These considerations are the duty of decision makers.

Environmental Sustainability

No implications as a result of this report

Financial

It is anticipated that following best practice through the new Procurement Strategy will improve the Council's financial standing by adopting value for money procurement, efficiency gains and the mitigation of risk.

Health and Safety

No implications as a result of this report

Human Resources

It is anticipated that the outcomes and deliverables of this Strategy will be absorbed in the current workload of both the Corporate Procurement team and Procuring Officers across the Council. As procurement occasionally involves outsourcing of services, workforce matters involving the transfer of staff in line with the Transfer of Undertakings (Protection of Employment) Regulations 2006 is an area that procuring officers may need to consider.

Human Rights

The Council require all contractors to comply fully with the Modern Slavery Act 2015, wherever it applies, with contract termination as a potential sanction for non-compliance.

Legal

The Strategy has due regard to the new Procurement Act 2023 and other relevant legislation to be applied within the procurement process. The Corporate Procurement Strategy 2025-2030 will be reviewed in light of changes that may arise as a result of updated procurement legislation passed during the term of this Strategy.

Specific Wards

No

7.0 Background papers, appendices and other relevant material

7.1 Appendix A – Draft Procurement Strategy 2025-2030

Contact Member

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