



DORCHESTER TOWN COUNCIL

PROCUREMENT STRATEGY



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CHAPTER 1 - EXECUTIVE SUMMARY

1.1 This Procurement Strategy will help the Council in the following tasks:

- Assessing options and making decisions concerning the provision and delivery of services and obtaining commodities and goods.
- Undertaking fundamental service reviews and preparing service plans and best value performance plans.
- Complying with new legislation for providing best value services for customers and the community.
- Consultation and collaboration with others to enable local market enterprise and good services.

1.2 This Procurement Strategy assists the Council by the following methods:

- Turning its policy objectives into well managed actions.
- Setting out a structured framework within which decisions can be made and implemented.
- Outlining the roles and relationships of parties working together in best practice processes to achieve excellent outcomes for the public.
- Describing procedures under which modern purchasing techniques can be followed.

CHAPTER 2 – INTRODUCTION

2.1 Procurement relates to all of the Council's services, commodities and goods. It concerns the vital stages in providing and either delivering or enabling these for the community. Procurement lies at the heart of policy-making and relies on sound judgement and firm decision-making.

2.2 The Council provides services that are statutory and non-statutory, all of which are discretionary. The scope of this Procurement Strategy is to assist the Council's primary decision making processes in respect of:

- Whether or not to provide a service and if so, how to provide it.
- Whether or not it wishes to have an involvement in the delivery of a service, and if so, how to be involved.
- Whether or not to obtain goods or services and if so, how to obtain these.

It is provided to assist the Council in its compliance with its normal business practices and the requirements of the Local Government (Best Value and Capping) Act 1999. It will support the Council with its new duty to promote the economic, social and environmental well-being of Dorchester.

2.3 The Procurement Strategy provides the context for the Council's consideration of its available options on the following issues:

- The rightness and legal integrity of its current procurement policies.
- Enabling local people and visitors to have the best services.
- How to add value and continuously improve its services.
- How best to challenge, compare, consult on and demonstrate competitiveness in the provision and delivery of its services; to ensure economy, efficiency and effectiveness.
- How best to obtain services, commodities and goods, including the use of e-commerce.

2.4 The Procurement Strategy aims to assist the Council in:

- Arranging things and making them happen, as a means to an end for the achievement of excellent outcomes.
- Turning policy into action using leadership, customer focus, integrated processes, long-term commitment and relationships.
- The methodology for achieving its aims and objectives.
- Enabling flexibility of options, added value, incentivisation, self-policing and intelligent monitoring of services and supply.
- Consideration of the availability, willingness and ability of local and wider markets to provide and/or deliver goods and services for the Council.
- Evaluation of the in-house delivery of services.
- Compliance with EU Procurement Directives and EU and UK legislation.
- Compliance with its Standing Orders and Financial Regulations.
- Compliance with its policy on sustainability.
- Development and implementation of a corporate approach to its procurement for the achievement of a mixed economy in provision, delivery and supply.
- Review and assessment of its procurement outcomes.

- 2.5 The Procurement Strategy is not concerned directly with the secondary activities associated with:
- Particular range of partnering possibilities with private, voluntary and public organisations and persons.
 - Establishment of partnership or client organisations.
 - Preparation and establishment of contracts or agreements.
 - Direct service delivery.
 - Management of contracts, overseeing agreements and supply procedures.
 - Commissioning services.
 - Purchasing goods and services.
 - Specific inputs to provision.
 - Training and development in procurement.
- 2.6 It is envisaged that this Procurement Strategy will be referred to at appropriate times including:
- Preparation and consideration of draft Best Value Performance Plans Preparation of draft annual Local Performance Plans.
 - Considerations for publishing Local Performance Plans.
 - Preparation of draft Budget proposals.
 - Consideration for setting annual Budgets.
 - Times of evaluating options concerning major decisions.
 - Approaching the end of the periods of contracts and agreements.
- 2.7 The Procurement Strategy is set out in the following sections:
- Chapter 3 - Provision of Services and Goods
 - Chapter 4 - Delivery or Enabling of Services and Supply of Goods
 - Chapter 5 - Obtaining Services and Goods
- Each chapter considers the following issues:
- Policies and Legislation
 - Options and Methods
 - Review, Assessment and Decision-Making
 - Specific Approaches
 - Communication and Collaboration
 - Key Decision-Making Options and Processes
- 2.8 Provision entails the responsibility for making the service or goods available to those for whom it is intended. It is usually undertaken by or through the Council Offices.
- 2.9 Delivery or Enabling entails supplying or performing whatever is necessary to enable the service or goods to be provided. It is usually undertaken directly by a Council department, or by the Council Offices or by an external operator.
- 2.10 Obtaining services and goods refers to the Council's direct or indirect purchasing or acquiring procedures, from whatsoever source which may be referred to commonly as the 'Supplier'.

- 2.11 There is considerable repetition and overlapping between Chapters 3, 4 and 5. However, this is designed to enable the relevant single chapter to be applied as one entity in the appropriate circumstances concerning provision, delivery or enabling, or supply.

CHAPTER 3 - PROVISION OF SERVICES AND GOODS

Policies and Legislation

- 3.1 The Council will provide only those services or goods that are in line with its policies. Such services and goods shall be clearly identifiable and will be provided taking into account the outcomes of reviews and consultations with stakeholders.
- 3.2 The Council will consider the key objectives of its core values, including the following aspects:
- Ability for local people and businesses to have involvement in service provision, delivery and supply.
 - Community and customer focus.
 - Social exclusion.
 - Regeneration.
 - Equalities.
 - Sustainability.
 - Long-term planning.
 - Value for money and lifetime costing.
 - Affordability.
 - Risk awareness.
 - Human and other resources.
 - Choices in provision, delivery and supply.
 - Choices in arrangements.
 - Probity and efficacy in making decisions.
- 3.3 The Council will challenge its decisions on whether or not to provide a service and all viable choices in provision will be considered and appraised as part of strategic reviews. Such considerations will include the potential for transferring assets. The choices made will enable the achievement of Best Value in accordance with Government requirements and in demonstration of value for money.
- 3.4 Provision shall be in accordance with EU and UK law and the Council's Standing Orders and Financial Regulations.
- 3.5 The benefits of third party involvement in provision, as to whether or not this would assist local people and visitors to have the best service or goods, especially with regard to providing added value and enabling continuous improvement, will be considered.
- 3.6 The Council will determine and sanction what it is that it wants to provide, ensuring that it has the necessary political support and involvement of Members. This will include the support of and allowance for change, satisfaction of policy requirements, recognition of implications and avoidance of bias.
- 3.7 Decisions on provision shall be linked to statutory requirement and the Council's policies and strategies, especially with regard to its policy on sustainability. Decisions shall not contradict corporate policies.
- 3.8 The procedures described in this Procurement Strategy shall be followed in order to assist the Council in its making of decisions on provision, ensuring that proper consideration is

given at each occurrence, that necessary agreement and approval is determined, and that adequately resourced management support and involvement is provided.

- 3.9 The Council shall record and report on its decisions on the evaluation and selection of options for provision of services and goods, including those options relating to tenderers, deliverers, suppliers, contracts, agreements and administrative functions.

(3.10 – 3.14 not used)

Options and Methods

- 3.15 Current awareness of local and wider markets for the provision of relevant services and goods will be ensured by undertaking or using market research, conducting surveys of stakeholders and by other means as necessary.
- 3.16 The Council shall encourage and stimulate activity to enable the choice of local market provision.
- 3.17 In the identification of potential providers due consideration will be given to the grouping and/or division of services or provision of goods, the identification of available resources, the potential for transferring or seconding resources and the allowance for partnering collaboration.
- 3.18 Contracts and agreements shall be suited to purpose and shall take local market preferences into account. Guidance will be sought from relevant professions and trade associations and advice taken to ensure compliance with financial and legal requirements.
- 3.19 The Council will consult the market on its proposed processes, where tendering for the provision of services and goods is involved.
- 3.20 Project management techniques will be employed whereby the Council will establish teams, set targets and draw up programmes to facilitate the functions of provision. This will include so far as possible the allocation of adequate resources, the establishment of performance improvement teams and the achievement of support, involvement and commitment from management and staff, such that the proper overseeing of the delivery of services or goods is ensured.
- 3.21 The provision of services or goods shall be undertaken using proper processes of tendering, negotiation, agreement, partnering and appointment as necessary. Some provision processes may be too complex for a single approach.
- 3.22 The Council will take the most economically advantageous options in its selections, having considered its objectives, values and long-term positions.
- 3.23 In-house provision will be considered when this is shown to be an example of best practice.
- 3.24 The empowerment of front line staff to assist best service provision will be encouraged.
- 3.25 Corporate systems of provision will be employed for tasks undertaken in common.
- 3.26 National or regional procurement will be considered for common utilities, eg gas supply.

3.27 The processes of provision will be recorded and utilised in order to ensure that learning takes place corporately and individually, by the provision of adequate training and encouragement for development.

3.28 The key decision-making options and processes concerning the provision of a service shall be undertaken in line with the graphical illustrations provided in Appendices A - C.

(3.29 not used)

Review, Assessment and Decision-Making

3.30 In order to assist its decision-making the Council will ensure that it has proper procedures in place for reviewing and assessing its provision of services and goods.

3.31 The above procedures shall be exercised, including the undertaking of market research with service stakeholders, evaluation and assessment of the results and the provision of feedback to those concerned.

3.32 The Council will obtain and give due consideration to the key performance results of its provision of services.

3.33 The Council will evaluate the likely community impact prior to making its decisions.

3.34 Due consideration of feedback on staff commitment and involvement and the organisation's achievements on learning, training and development will be taken.

3.35 Periodic consideration will be given to the mechanics of reviewing services, including monitoring, in order to ensure that the Council's functions provide the best services and enable continuous improvement. Allowance will be made for ongoing changes resulting from consultation with stakeholders.

3.36 Various specific approaches that are available to achieve the above, are considered in the following section.

(3.37 to 3.39 not used)

Specific Approaches

3.40 The Council will establish and review at appropriate times its priorities for reviewing the provision of its services. Such priorities will be made in the light of the current degree of impact, effectiveness, economy and efficiency of the service provision, and will be reflected in its ongoing review programme.

3.41 Performance improvement teams will be established and utilised to give periodic attention to the provision of specific services. Such teams will comprise representative persons who have direct involvement in the provision, monitoring, assessment and delivery of the service together with other persons who are able to contribute to the reviewing and continuous improvement of the provision of the service by nature of their expertise.

- 3.42 Direct comparison in the provision of services will be undertaken by external benchmarking with other providers of similar services. Such comparisons shall be made at appropriate times, taking into account the Council's programme of service reviews.
- 3.43 Direct comparison in the provision of services will be undertaken by internal benchmarking between the Council's current services, to ascertain the relative qualities in current provision.
- 3.44 The Council will continue to give due consideration to the desirability for changes in the provision of its services. including the connections between services. Such connections may involve a cross-cutting association or a themed collection of elements of services, which could enable better provision for the public.
- 3.45 The framework of this Procurement Strategy shall be utilised and adhered to at all times of major decisions concerning the provision of a service. It is not intended to be taken as being prescriptive, but it should be used to enable due consideration to be given to all those aspects that require attention.
- 3.46 Whenever the provision of a service is under consideration, this will be dealt with by project management teams. Such teams will be established at appropriate times on a 'task and finish' basis and will comprise people who can bring the optimum skills to the required consideration and appropriate Members of the Council. The teams will establish their criteria, set targets, utilise programmes and report on their work as necessary.
- 3.47 Consultation on the provision of a service will be undertaken with all appropriate stakeholders. These are likely to include representatives of the recipients of the service and those paying for the service, organisations involved in monitoring, auditing and overseeing the service, professional bodies, the staff involved and persons likely to be impacted significantly by any potential changes being considered for a service.
- 3.48 A range of processes shall be used for any necessary tendering, negotiation, partnering, agreement or award for the provision of a service. These will be in line with the Council's Standing Orders and Financial Regulations and will enable demonstration of competitiveness in service provision. They will include the use of financial and legal advice and contractual documentation as appropriate.
- 3.49 Whenever the provision of a service is under consideration, the Council will be aware of and take into account the associated implications concerning its assets. Such assets include staff, items of plant and equipment, premises, intellectual property, contracts and obligations. The use of capital investment and trading surpluses are recognised as potentially available inputs.

(3.50 and 3.51 not used)

Communication and Collaboration

- 3.52 In order to assist its thorough investigations and proper decision making processes, the Council will so far as possible ensure that it seeks and gathers all necessary information. This may involve direct and indirect communication with stakeholders and the public.
- 3.53 As part of the investigative processes to aid its proper consideration, the Council will so far as possible disseminate all appropriate information to such persons and organisation

from whom it wishes to receive feedback which would be likely to have importance in assisting its decision making processes.

- 3.54 The Council will ensure that it undertakes thorough investigations into the potential involvement of third parties who are likely to be associated with the provision of a service.
- 3.55 The Council will offer invitations to persons and other organisations associated with the provision of a service concerning the scope for collaboration to achieve the best service. Such collaboration will require compliance with this Procurement Strategy, shared values, mutual benefits, clear understanding, achievable objectives, the recognition of roles, sharing of information, assistance in administration and other appropriate forms of co-operation with each other.
- 3.56 Partnering should be based on an act of faith in each other, with honesty, trust and an avoidance of undue criticism. Service deliverers should not be agents of the Council, but must be enabled to act in direct communication with customers and stakeholders and to monitor and report on the environment in which they are involved.
- 3.57 Whenever significant decisions on the provision of a service have been made by the Council, it will ensure that such decisions and their major implications are communicated promptly to those persons and organisations who are likely to be affected significantly.

(3.58 and 3.59 not used)

Key Decision-Making Options and Processes

- 3.60 The key decision-making options and processes concerning the provision and delivery of a service are illustrated in graphical format in Appendix A and are described below. The more detailed choices are described in Paragraph 3.61 and Appendices B and C.

BOX A Question: “Does the Council wish to provide this service for the community?” The options are either ‘Yes’ or ‘No’. If the option ‘No’ is selected, then the required action is shown in Box K, i.e. “Delete Service”, which is described in Paragraph 4.60 and Appendix C. However, if the option is ‘Yes’, then there are two options as shown in Boxes B and C.

BOX B Question: “Does the Council wish to provide this service in partnership with others, with or without the opportunity to delivery all or part of the service itself” If the answer is ‘No’, then the issue is resolved through Box C. However, if the answer is ‘Yes’, then there are two options as shown in Boxes D and E.

BOX C Question: “Does the Council wish to provide this service alone, with or without the opportunity to deliver all or part of the service itself alone?” The options are either ‘Yes’ or ‘No’. If the option ‘No’ is selected. then the available actions are shown in Boxes H, I and J. However. if the option ‘Yes’ is selected, then there are two options as shown in Boxes F and G.

BOX D Selected Option: “Executive partnership of joint authorities.” i.e. the Council wishes to join with other local authorities to provide the service for all of these authorities and itself, by the establishment of an executive

partnership of joint authorities which would act as the providing client. At this stage, the Council is not deciding whether or not it wishes to have the opportunity to deliver all or part of the service itself. The more detailed choices for the partnership provision and delivery of the service are described in Paragraph 3.61 and Appendix B.

BOX E Selected Option: “Partnering with other bodies”, i.e. the Council wishes to establish and enter into a partnering agreement with one or more other bodies, such that the partnership would act as the providing client. At this stage, the Council is not deciding whether or not it wishes to have the opportunity to delivery all or part of the service itself. The more detailed choices for the partnership provision and delivery of the service are described in Paragraph 3.61 and Appendix B.

BOX F Selected Option: “Competitive tendering”, i.e. the Council wishes to invite others to enter a competition between themselves and the Council itself, in which each competitor tenders a submission detailing how they would deliver the service and for what remuneration. The choices involved are described in Paragraph 3.62 and Appendix C.

BOX G Selected Option: “Continue or take back in-house delivery, without direct competition”, i.e. the Council wishes to deliver the service itself without exposing it to competition, regardless of who is delivering the service currently. The choices involved are described in Paragraph 3.62 and Appendix C.

BOX H Selected Option: “Set up purpose-made client,” i.e. the Council wishes to establish another body to which it would assign its responsibilities for the provision of the service, where the new body would be obliged to act as the providing client. The choices involved are described in Paragraph 3.62 and Appendix C.

BOX I Selected Option: “Delegation to another authority or organisation,” e.g. the District or County Council, another town or parish council, or the voluntary sector; i.e. the Council wishes to assign its responsibilities for the provision of the service to another existing authority or organisation, which would be obliged to act as the providing client. The choices involved are described in Paragraph 3.62 and Appendix C.

BOX J Selected Option: “Contracting Out,” i.e. the Council wishes to invite others to enter a competition between themselves, in which the Council does not wish to take part itself, in which each competitor tenders a submission detailing how they would deliver the service and for what remuneration. The choices involved are described in Paragraph 3.62 and Appendix C.

3.61 The more detailed choices of key decision-making options and processes concerning methods for the partnership provision and delivery of a service are illustrated in graphical format in Appendix B and are described below:

BOX D Where this option of an ‘executive partnership of joint authorities’ has been chosen, service provision would be via joint contracts as shown in Box L.

- BOX L “Joint Contracts”, i.e. the Council and its selected other local authority partners would establish a joint contract for the delivery of a service, where the partner local authorities would act jointly as the providing client, with their appointed contractor delivering the service. A typical example might be an internal audit service or street/walks sweeping.
- BOX E Where the option of ‘partnering with other bodies’ has been chosen, service provision would be via one of the available options as shown in Boxes E. 1, E.2 and E.3.
- BOX E.1 “Advisory Partnerships”, i.e. the Council and one or more partners recognise and enter into an informal partnership with each other to enable the provision of a service. Such a partnership may be based on correspondence rather than a formal contract. The options for such informal partnerships are shown in Boxes M to Q.
- BOX E.2 “Direct Partnering”, i.e. the Council enters into a partnership with its selected contractor, where both parties have an involvement in enabling the service to be delivered. The options for such partnerships are shown in Boxes R and S.
- BOX E.3 “Partnership Sourcing”, i.e. the Council enters into a partnership agreement with one or more other parties, where the partners work together by agreement to enable the service to be delivered. This option is shown in Box T.
- BOX M “Work for Work”, i.e. the Council and its chosen partners each does work for its own purposes in connection with a service where these portions of work have a value to the other partners as well. An example would be where the Highway Authority maintained grassed areas belonging to a Parish Council, with the Parish Council cleaning the Highway Authority’s road signs located on those areas, at no charge to each other.
- BOX N “Barter”, i.e. the Council and its chosen partners exchange services or portions of work in connection with a service, where the exchange is the only mechanism of valuation and remuneration between the partners. An example would be where a Council maintained a shrub bed on a developer’s land and the developer provided seating and free access to the public to the land. adjacent to another public amenity, at no charge to each other.
- BOX O “Joint Management”, i.e. the Council and its chosen partners each undertakes its own operations, but shares in an overall management provision for the service by one or more of the partners. An example would be where two Councils maintained a small architectural service at their own expense, and shared the costs of a qualified managing architect to oversee both services.
- BOX P “Joint Services”, i.e. the Council and its chosen partners undertake the operations jointly, or alongside each other, or by pooling their resources, to enable the delivery of the service. An example would be where a

Highway Authority and a Council provided one mechanical sweeper between them, at a shared cost, where the vehicle could be used to clean the roads regardless of the reason and responsibility for them needing to be cleaned, e.g. traffic accident, mud on road, dead animal or leaf fall.

BOX Q “Performance Review Meetings”, i.e. the Council and its chosen partners undertake their respective tasks and oversee together the enabling or delivery of the service, by means of a joint board of management. An example would be where a Police Authority and Council oversaw crime prevention on a housing estate.

BOX R “Share Working”, i.e. the Council and its appointed contractor act in partnership to share between them the various portions of the work that comprises the enabling or delivery of the service. An example would be where a Council provided trade waste containers and a contractor emptied them, with both parties sharing the rental income from the customer.

BOX S “Joint Working”, i.e. the Council and its appointed contractor act in partnership to enable or deliver the service jointly. An example would be where both parties provided labour resources to provide a legal service, with each party’s solicitors being specialists in certain different areas, to enable a more comprehensive service to be provided.

BOX T “Work Together by Agreement”, i.e. the Council and one or more partners make an agreement to, and work together in, the enabling or delivery of the service. An example would be where a private practice provided a valuation professional and a Council provided a Building Control professional, who would work jointly on both parties’ commercial enterprises.

3.62 The more detailed choices of decision-making options and processes concerning further methods for the provision and delivery of a service are illustrated in graphical format in Appendix C and are described below:

BOX F Where this option of ‘competitive tendering’ has been chosen. it enables the service to be delivered by the selected in-house or private contractor by means of a partnering agreement with the Council as shown in Box U.

BOX U “Partnering Agreement by Contractor and Council”, i.e. the Council and its selected Contractor establish a partnering agreement between themselves, whereby the contract will be undertaken and overseen under a framework agreement for the enabling and delivery of the service. An example would be where both partners undertake their own roles, but subscribe jointly to all aspects of a public conveniences cleaning service.

BOX G Where this option of ‘continuing or taking back the in-house delivery of a service without direct competition’ has been chosen, the client and contractor functions would be determined as shown in Boxes V. 1 or V.2. It would be necessary to satisfy the District Auditor of the validity of this choice of action.

- BOX V.1 “Continue or set up a single function client/service deliverer,” i.e. the Council would appoint its in-house contractor to act as the enabling client in addition to its service delivery role. It would be necessary to satisfy the District Auditor of the validity of this choice of action.
- BOX V.2 “Continue or set up a split function client and service deliverer,” i.e. the Council would split the functions between its in-house contractor to deliver the service and its internal client group to enable and oversee the service. It would be necessary to satisfy the District Auditor of the validity of this choice of action.
- BOX H Where this option of ‘setting up a purpose-made client’ has been chosen, there are two options. Either total responsibility can be delegated to the new body, which would enable it to deliver the service how it wished; or the new body would be established to provide specific facilities only, in connection with the service.
- BOX I Where this option of ‘delegation to another authority or organisation’ has been chosen, the authority or organisation would be responsible for enabling the service to be delivered how it wished.
- BOX J Where this option of ‘contracting out’ has been chosen, it enables the service to be delivered by the selected private contractor by means of a partnering agreement with the Council, as shown in Box U. This would allow a tendering and award process and/or the disbanding of an in-house contractor organisation, and/or the expiry of a current contract, and with the continuation or establishment of a service client group or body.
- BOX K Where this option of ‘deleting the services’, has been chosen, the Council would disband the service provision and delivery facilities.

CHAPTER 4 - DELIVERY OR ENABLING OF SERVICES AND SUPPLY OF GOODS

Policies and Legislation

- 4.1 The Council will deliver or enable only those services. or supply goods, that it has decided to provide in line with its policies. Such services and goods will be clearly identifiable and shall be delivered, enabled or supplied with due consideration of reviews and consultations with stakeholders.
- 4.2 The Council shall consider the key objectives of its core values, including the following aspects:
- Ability for local people and businesses to have involvement in service provision, delivery and supply.
 - Community and customer focus.
 - Social exclusion.
 - Regeneration.
 - Equalities.
 - Sustainability.
 - Long-term planning.
 - Value for money and lifetime costing.
 - Affordability.
 - Risk awareness.
 - Human and other resources.
 - Choices in provision, delivery and supply.
 - Choices in arrangements.
 - Probity and efficacy in making decisions.
- 4.3 The Council will challenge its decisions on whether or not to deliver or enable a service, or supply goods, and all viable choices in delivery, enabling or supply will be considered and appraised as part of strategic reviews. Such considerations will include the potential for transferring assets. The choices made will enable the achievement of Best Value in accordance with Government requirements and demonstrate value for money.
- 4.4 Delivery, enabling or supply shall be in accordance with EU and UK law and the Council's Standing Orders and Financial Regulations.
- 4.5 The benefits of third party involvement in delivery, enabling or supply, as to whether or not this would assist local people and visitors to have the best service or goods, especially with regard to providing added value and enabling continuous improvement will be considered.
- 4.6 The Council will determine and sanction what it is that it wants to deliver, enable or supply, ensuring that it has the necessary political support and involvement of Members. This will include the support of and allowance for change, satisfaction of policy requirements, recognition of implications and avoidance of bias.
- 4.7 Decisions on delivery, enabling or supply will be linked to statutory requirements and the Council's policies and strategies. Decisions shall not contradict corporate policies.

- 4.8 The procedures described in this Procurement Strategy will be followed in order to assist the Council in its making of decisions on delivery, enabling or supply, ensuring that proper consideration is given at each occurrence, that necessary agreement and approval is determined, and that adequately resourced management support and involvement is provided.
- 4.9 The Council will record and report on its decisions on the evaluation and selection of options for delivery or enabling of services, or supplying goods, including those options relating to tenderers, deliverers, suppliers, contracts, agreements and administrative functions.

(4.10 - 4.14 not used)

Options and Methods

- 4.15 Current awareness of local and wider markets for the delivery of relevant services and supply of goods will be ensured by undertaking or using market research, conducting surveys of stakeholders and by other means as necessary.
- 4.16 The Council will encourage and stimulate activity in local market delivery and supply.
- 4.17 In the identification of potential service deliverers and suppliers, due consideration will be given to the grouping and/or division of services or goods, the identification of available resources, the potential for transferring or seconding resources and the allowance for partnering collaboration.
- 4.18 Contracts and agreements will be suited to purpose and will take local market preferences into account. Guidance will be sought from relevant professions and trade organisations. Advice will be taken where necessary to ensure compliance with financial and legal requirements.

(4.19 not used)

- 4.20 Project management techniques will be employed whereby the Council will establish teams, set targets and draw up programmes to facilitate the functions of delivery or enabling. This will include the allocation of adequate resources, the establishment of performance improvement teams and the achievement of support, involvement and commitment from management and staff, such that the proper overseeing of the delivery or enabling of services or the supply of goods is ensured.
- 4.21 The delivery or enabling of services or the supply of goods will be undertaken using proper processes of negotiation, agreement, partnering and appointment as necessary. Some processes may be too complex for a single approach.
- 4.22 The Council will take the most economically advantageous options in its selections, having considered its objectives, values and long-term positions.
- 4.23 In-house delivery, enabling or supply will be considered when this is shown to be an example of best practice.
- 4.24 The empowerment of front line staff to assist best service provision will be encouraged.

- 4.25 Corporate systems of delivery, enabling or supply will be employed for tasks undertaken in common.
- 4.26 National or regional procurement will be considered for common utilities, e.g. gas supply,
- 4.27 The processes of delivery, enabling or supply will be recorded and utilised in order to ensure that learning takes place corporately and individually, by the provision of adequate training and encouragement for development.
- 4.28 The key decision-making options and processes concerning the delivery or enabling of a service, or supply of goods, will be undertaken in line with the graphical illustrations provided in Appendices A - C.

(4.29 not used)

Review, Assessment and Decision-Making

- 4.30 In order to assist its decision making the Council will ensure that it has proper procedures in place for reviewing and assessing its delivery or enabling of services and supply of goods.
- 4.31 The above procedures will be exercised, including the undertaking of market research with service stakeholders, evaluation and assessment of the results and the provision of feedback to those concerned.
- 4.32 The Council will obtain and give due consideration to the key performance results of its delivery or enabling of services and supply of goods.
- 4.33 The Council will evaluate the likely community impact prior to making its decisions.
- 4.34 Due consideration of feedback on staff commitment and involvement and the organisation's achievements on learning, training and development will be taken.
- 4.35 Periodic consideration will be given to the mechanics of reviewing services, including monitoring, in order to ensure that the Council's functions deliver or enable the best services, supply the best goods and enable continuous improvement. Allowance will be made for ongoing changes resulting from consultation with stakeholders.
- 4.36 Various specific approaches that are available to achieve the above are considered in the following section.

(4.37 to 4.39 not used)

Specific Approaches

- 4.40 The Council will establish and review at appropriate times its priorities for reviewing the delivery or enabling of its services and supply of goods. Such priorities will be made in the light of the current degree of impact, effectiveness, economy and efficiency of the service delivery or enabling and supply of goods, and will be reflected in its ongoing review programme.

- 4.41 Performance improvement teams will be established and utilised to give periodic attention to the delivery or enabling of specific services and supply of goods. Such teams will comprise representative persons who have direct involvement in the provision, monitoring, assessment and delivery or enabling of the service or supply of goods, together with other persons who are able to contribute to the reviewing and continuous improvement of the service or supply by nature of their expertise.
- 4.42 Direct comparison in the delivery or enabling of services and supply of goods will be undertaken by external benchmarking with other deliverers or enablers of similar services or suppliers of goods. Such comparisons will be made at appropriate times, taking into account the Council's programme of service reviews.
- 4.43 Direct comparison in the delivery or enabling of services and supply of goods will be undertaken by internal benchmarking between the Council's current services to ascertain the relative qualities in current delivery or enabling and supply.
- 4.44 The Council will give due consideration to the desirability for changes in the delivery or enabling of its services and supply of goods, including the connections between services. Such connections may involve a cross-cutting association or a themed collection of elements of services, which could enable better provision of services or goods for the public.
- 4.45 The framework of this Procurement Strategy shall be utilised and adhered to at all times of major decisions concerning the delivery or enabling of a service, or supply of goods. It is not intended to be taken as being prescriptive, but it should be used to enable due consideration to be given to all those aspects that require attention.
- 4.46 Whenever the delivery or enabling of a service or supply of goods is under consideration, this will be dealt with by project management teams. Such teams will be established at appropriate times on a 'task and finish' basis and will comprise people who can bring the optimum skills to the required consideration and appropriate Members of the Council. The teams will establish their criteria, set targets, utilise programmes and report on their work as necessary.
- 4.47 Consultation on the delivery or enabling of a service or supply of goods will be undertaken with all appropriate stakeholders. These are likely to include representatives of the recipients of the service or goods and those paying for the service or goods, organisations involved in monitoring, auditing and overseeing the service or goods, professional bodies, the staff involved and persons likely to be impacted significantly by any potential changes being considered for a service or goods.
- 4.48 A range of processes shall be used for any necessary tendering, negotiation, partnering, agreement or award for the delivery or enabling of a service or supply of goods. These will be in line with the Council's Standing Orders and Financial Regulations and will enable demonstration of competitiveness in service delivery or enabling. They will include the use of financial and legal advice and contractual documentation as appropriate.
- 4.49 Whenever the delivery or enabling of a service or supply of goods is under consideration the Council will be aware of and take into account the associated implications concerning its assets. Such assets include staff, items of plant and equipment, premises, intellectual

property, contracts and obligations. The use of capital investment and trading surpluses are recognised as potentially available inputs.

(4.50 and 4.51 not used)

Communication and Collaboration

- 4.52 In order to assist its thorough investigations and proper decision making processes, the Council will so far as possible ensure that it seeks and gathers all necessary information. This may involve direct and indirect communication with stakeholders and the public.
- 4.53 As part of its investigative processes to aid its proper consideration, the Council will so far as possible disseminate all appropriate information to such persons and organisations from whom it wishes to receive feedback which would be likely to have importance in assisting its decision making processes.
- 4.54 The Council will ensure that it undertakes thorough investigations into the potential involvement of third parties who are likely to be associated with the delivery or enabling of a service or supply of goods.
- 4.55 The Council will offer invitations to persons and other organisations associated with the delivery or enabling of a service or supply of goods concerning the scope for collaboration to achieve the best service. Such collaboration will require compliance with this Procurement Strategy, shared values, mutual benefits, clear understanding, achievable objectives, the recognition of roles, sharing of information, assistance in administration and other appropriate forms of co-operation with each other.
- 4.56 Partnering should be based on an act of faith in each other, with honesty, trust and an avoidance of undue criticism. Service deliverers should not be agents of the Council, but must be enabled to act in direct communication with customers and stakeholders and to monitor and report on the environment in which they are involved.
- 4.57 Whenever significant decisions on the delivery or enabling of a service or supply of goods have been made by the Council it will ensure that such decisions and their major implications are communicated promptly to those persons and organisations who are likely to be affected significantly.

(4.58 and 4.59 not used)

Key Decision-Making Options and Processes

- 4.60 The key decision-making options and processes concerning the delivery or enabling of services have much in common with the processes described in Paragraphs 3.60 to 3.62. Specific delivery or enabling processes are not described in this Procurement Strategy.

CHAPTER 5 - OBTAINING SERVICES AND GOODS

Policies and Legislation

- 5.1 The Council will obtain only those services or goods that are in line with its policies, or which it is obliged to obtain under legislation. Such services and goods will be clearly identifiable and will be obtained with due consideration of reviews and consultations with stakeholders.
- 5.2 The Council will consider the key objectives of its core „alues and the following additional matters:
- Ability for local people and businesses to have involvement in service provision, delivery and supply.
 - Community and customer focus.
 - Social exclusion.
 - Regeneration.
 - Equalities.
 - Sustainability.
 - Long-term planning.
 - Value for money and lifetime costing.
 - Affordability.
 - Risk awareness.
 - Human and other resources.
 - Choices in provision, delivery and supply.
 - Choices in arrangements.
 - Probity and efficacy in making decisions.
- 5.3 The Council will challenge its decisions on whether or not to obtain a service or goods and all viable choices will be considered and appraised as part of strategic reviews. Such considerations will include the potential for transferring assets. The choices made will enable the achievement of Best Value in accordance with Government requirements and demonstrate value for money.
- 5.4 Obtaining services and goods will be in accordance with EU and UK law and the Council's Standing Orders and Financial Regulations.
- 5.5 The benefits of third party involvement in obtaining services and goods, as to whether or not this would assist local people and visitors to have the best service or goods, especially with regard to obtaining added value and enabling continuous improvement, will be considered.
- 5.6 The Council will determine and sanction what it is that it wants to obtain, ensuring that it has the necessary political support and involvement of Members. This will include the support of and allowance for change, satisfaction of policy requirements, recognition of implications and avoidance of bias.
- 5.7 Decisions on obtaining services and goods will be linked to statutory requirements and the Council's policies and strategies. Decisions shall not contradict corporate policies.

- 5.8 The procedures described in this Procurement Strategy will be followed in order to assist the Council in its making of decisions on obtaining services and goods, ensuring that proper consideration is given at each occurrence, that necessary agreement and approval is determined, and that adequately resourced management support and involvement is provided.
- 5.9 The Council will record and report on its decisions on the evaluation and selection of options for obtaining services and goods, including those options relating to tenderers, deliverers, suppliers, contracts, agreements and administrative functions.

(5.10 - 5.14 not used)

Options and Methods

- 5.15 Current awareness of local and wider markets for the obtaining of relevant services and goods will be ensured by undertaking or using market research, conducting surveys of stakeholders and by other means as necessary.
- 5.16 The Council will encourage and stimulate activity in local market provision.
- 5.17 In the identification of potential suppliers, due consideration will be given to the grouping and/or division of services or supply of goods, the identification of available resources, the potential for transferring or seconding resources and the allowance for partnering collaboration.
- 5.18 Contracts and agreements will be suited to purpose and will take local market preferences and availability into account. Guidance will be sought from relevant professions and advice taken to ensure compliance with financial and legal requirements.
- 5.19 The Council will consult the market on its proposed processes, where tendering for the supply of significant services and goods is involved.
- 5.20 Project management techniques will be employed whereby the Council will establish teams, set targets and draw up programmes to facilitate the functions of obtaining services and goods. This will include the allocation of adequate resources, the establishment of performance improvement teams and the achievement of support, involvement and commitment from management and staff, such that the proper overseeing of the obtaining of services or goods is ensured.
- 5.21 The obtaining of services or goods will be undertaken using proper processes of negotiation, agreement, partnering and appointment as necessary. Some processes may be too complex for a single approach.
- 5.22 The Council will take the most economically advantageous options in its selections, having considered its objectives, values and long-term positions.
- 5.23 In-house provision will be considered when this is shown to be an example of best practice.
- 5.24 The empowerment of front line staff to assist best service provision will be encouraged.
- 5.25 Corporate systems of provision will be employed for tasks undertaken in common.

- 5.26 National or regional procurement will be considered for common utilities, e.g. gas supply.
- 5.27 The processes of obtaining services and goods will be recorded and utilised in order to ensure that learning takes place corporately and individually, by the provision of adequate training and encouragement for development.
- 5.28 The key decision-making options and processes concerning the obtaining of services and goods will be undertaken in line with the graphical illustrations provided in Appendices A - C.

(5.29 not used)

Review, Assessment and Decision-Making

- 5.30 In order to assist its decision-making the Council will ensure that it has proper procedures in place for reviewing and assessing its obtaining of services and goods.
- 5.31 The above procedures will be exercised, including the undertaking of market research with service stakeholders, evaluation and assessment of the results and the provision of feedback to those concerned.
- 5.32 The Council will obtain and give due consideration to the key performance results of its obtaining of services and goods.
- 5.33 The Council will evaluate the likely community impact prior to making its decisions.
- 5.34 Due consideration of feedback on staff commitment and involvement and the organisation's achievements on learning, training and development will be taken.
- 5.35 Periodic consideration will be given to the mechanics of reviewing services, including monitoring, in order to ensure that the Council's functions provide the best services and enable continuous improvement. Allowance will be made for ongoing changes resulting from consultation with stakeholders.
- 5.36 Various specific approaches that are available to achieve the above are considered in the following section.

(5.37 to 5.39 not used)

Specific Approaches

- 5.40 The Council will establish and review at appropriate times its priorities for reviewing the obtaining of its services and goods. Such priorities will be made in the light of the current degree of impact, effectiveness, economy and efficiency of such supply, and will be reflected in its ongoing review programme.
- 5.41 Performance improvement teams will be established and utilised to give periodic attention to the obtaining of specific services or goods. Such teams will comprise representative persons who have direct involvement in the provision, obtaining, monitoring, assessment and delivery of the service or goods, together with other persons

who are able to contribute to the reviewing and continuous improvement of the obtaining of the service or goods by nature of their expertise.

- 5.42 Direct comparison in the obtaining of services or goods will be undertaken by external benchmarking with other obtainers of similar services or goods. Such comparisons will be made at appropriate times, taking into account the Council's programme of service reviews.
- 5.43 Direct comparison in the obtaining of services or goods will be undertaken by internal benchmarking between the Council's current services to ascertain the relative qualities in the current obtaining of services and goods.
- 5.44 The Council will give due consideration to the desirability for changes in the obtaining of its services or goods, including the connections between services. Such connections may involve a cross-cutting association or a themed collection of elements of services, which could enable better provision of services or goods for the public.
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- 5.47 Consultation on the obtaining of a service or goods will be undertaken with all appropriate stakeholders. These are likely to include representatives of the recipients of the service or goods and those paying for the service or goods, organisations involved in monitoring, auditing and overseeing the service or goods, professional bodies, the staff involved and persons likely to be impacted significantly by any potential changes being considered for a service or goods.
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(5.50 and 5.51 not used)

Communication and Collaboration

- 5.52 In order to assist its thorough investigations and proper decision making processes, the Council will so far as possible ensure that it seeks and gathers all necessary information. This may involve direct and indirect communication with stakeholders and the public.
- 5.53 As part of its investigative processes to aid its proper consideration, the Council will so far as possible disseminate all appropriate information to such persons and organisations from whom it wishes to receive feedback, which would be likely to have importance in assisting its decision making processes.
- 5.54 The Council will ensure that it undertakes thorough investigations into the potential involvement of third parties who are likely to be associated with the obtaining of a service or goods.
- 5.55 The Council will offer invitations to persons and other organisations associated with the supply of a service or goods concerning the scope for collaboration to achieve the best service. Such collaboration will require compliance with this Procurement Strategy, shared values, mutual benefits, clear understanding, achievable objectives, the recognition of roles, sharing of information, assistance in administration and other appropriate forms of co-operation with each other.
- 5.56 Partnering should be based on an act of faith in each other, with honesty, trust and an avoidance of undue criticism.
- 5.57 Whenever significant decisions on the obtaining of a service or goods have been made by the Council it will ensure that such decisions and their major implications are communicated promptly to those persons and organisations who are likely to be affected significantly.

(5.58 and 5.59 not used)

Key Decision-Making Options and Processes

- 5.60 The key decision-making options and processes concerning the obtaining of services and goods have many elements in common with the processes described in Paragraphs 3.60 to 3.62. Specific processes for obtaining services and goods are not described in this Procurement Strategy.

Acknowledgements

The following background papers are acknowledged with thanks:

CIPFA – ‘Commissioning Local Authority Work and Services - Code of Practice’, 1999

CIPFA – ‘Commissioning Local Authority Services for Best Value - The Wider Issues of Partnership 3 Competition and Contracting-Out’, 1999

HM Treasury – ‘Procurement Excellence - A Guide to using the EFQM Excellence Model in Procurement’, 1999

HM Treasury – ‘Procurement Guidance (Series 1 - 6)’, 1999

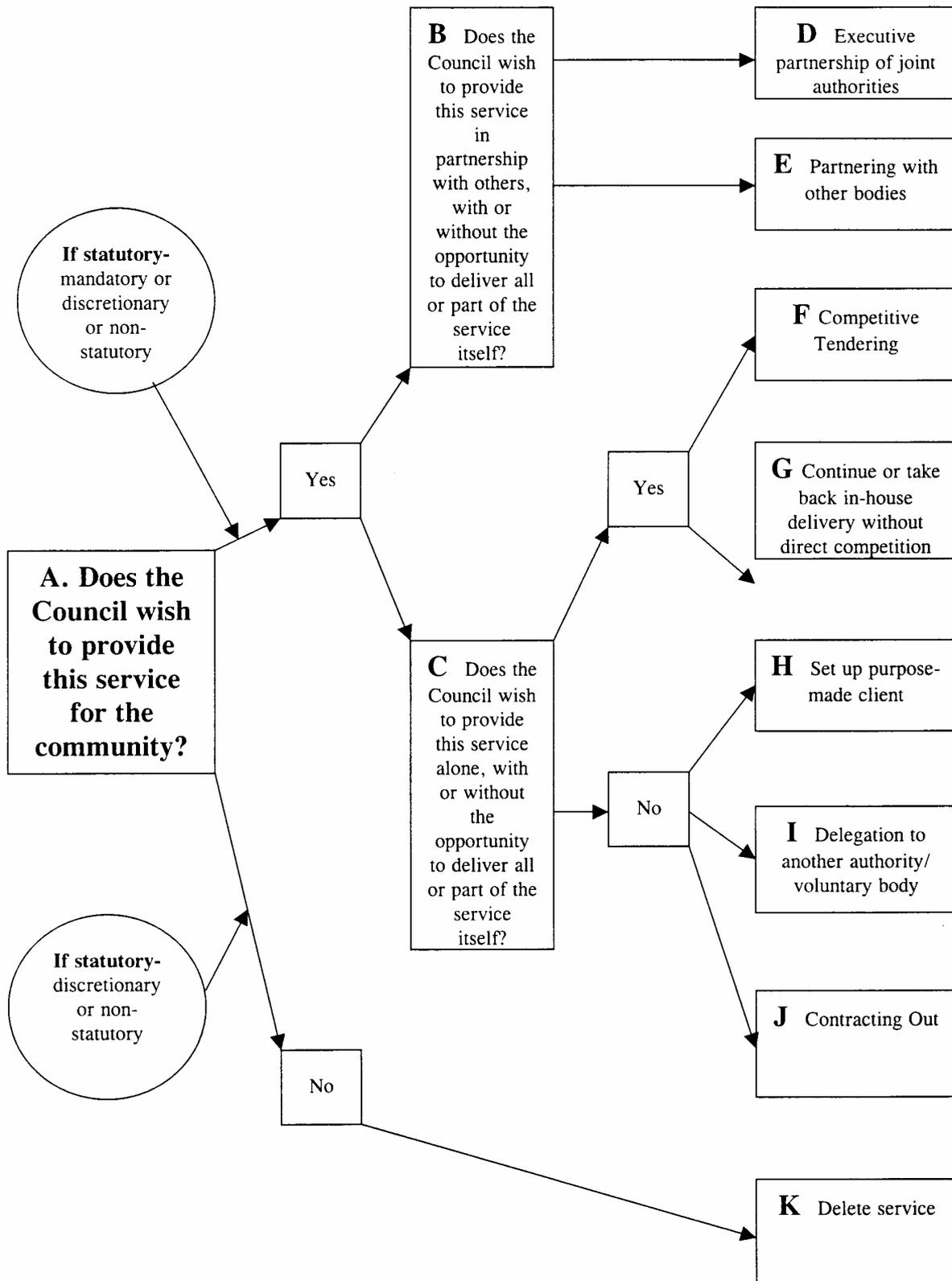
Inter Authority Group (IAG) – ‘How to choose the Best Value service option - A practitioners guide’ (Michael Hughes), 1999

IDeA – ‘Best value and procurement: Developing the local authorities’ code of practice’, 2000

Papers presented at the Capita conference – ‘Modem Procurement in Local Government’ held in London on 30th March 2000

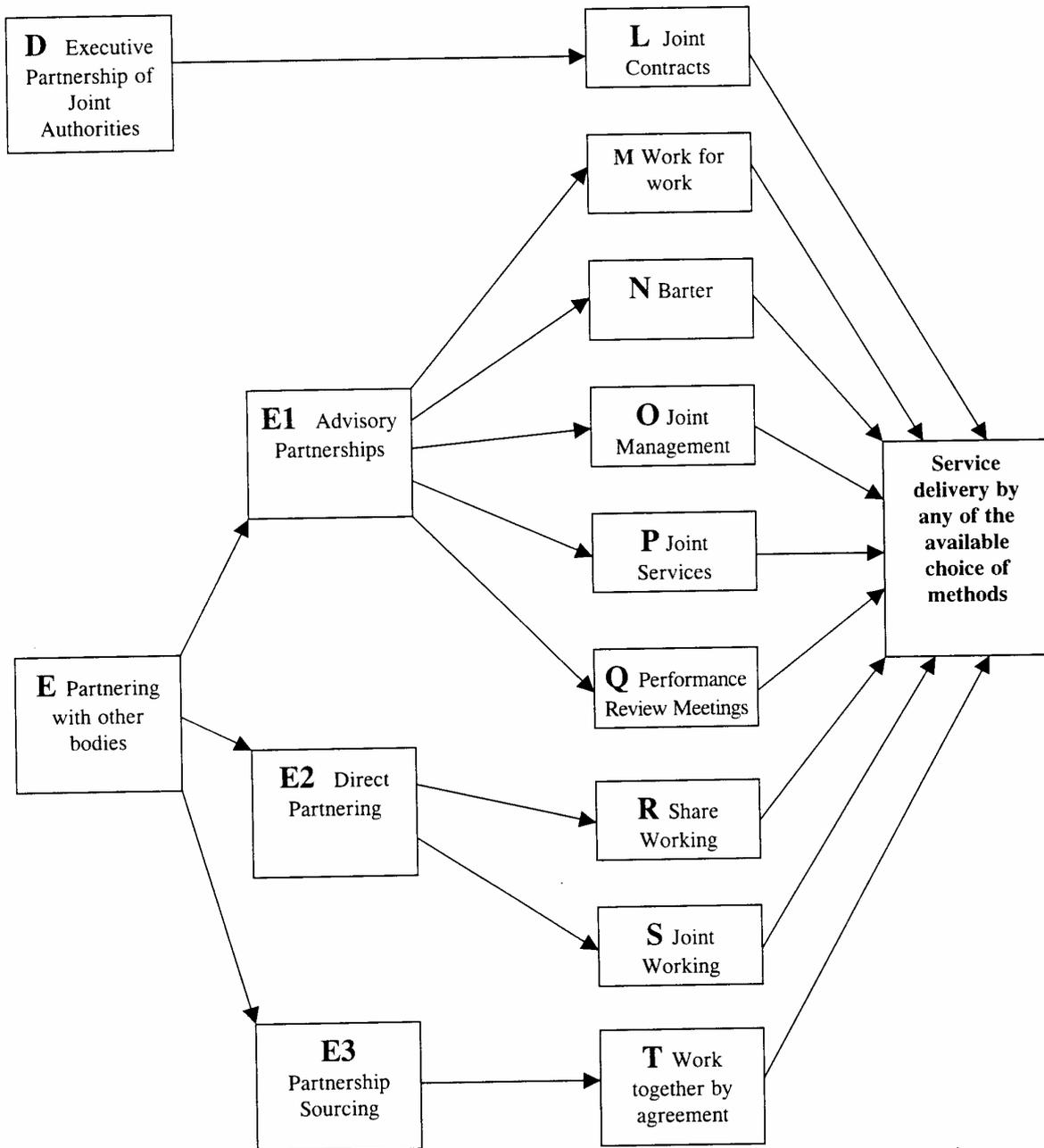
PROCUREMENT STRATEGY

Key decision-making options and processes concerning the provision and delivery of a service



PROCUREMENT STRATEGY

Key decision-making options and processes concerning methods for the partnership provision and delivery of a service



PROCUREMENT STRATEGY

Key decision-making options and processes concerning further methods for the provision and delivery of a service

