

CABINET – 17TH JANUARY 2019

Report of the Head of Finance and Property Services

Lead Member: Councillor Thomas Barkley

Part A

ITEM 10 PROCUREMENT STRATEGY 2018/19 TO 2024/25

Purpose of Report

To bring forward the Procurement Strategy for consideration and agreement by Cabinet.

Recommendation

That the Procurement Strategy 2018/19 to 2024/25, attached as Appendix A, be approved.

Reason

To provide a basis for procurement practices within the Council which supports the aims of the Corporate Plan

Policy Justification and Previous Decisions

The Procurement Strategy provides a framework for the Council to obtain value in all its procurement activities. The Strategy addresses all elements of procurement activity, from identifying the need, considering options, procuring the appropriate goods, services or works, effective supplier and contract management, through to the disposal of assets. The Strategy also addresses the many solutions available to the Council, from establishing corporate contracts, using collaborative and consortia arrangements, through to developing long-term strategic partnerships.

As such the Strategy supports the following aims in the Corporate Plan: to promote a Borough with a strong and diverse economy and to seek ways to deliver better services as efficiently as possible.

The previous Procurement Strategy was agreed by the Cabinet in January 2013.

Implementation Timetable including Future Decisions and Scrutiny

This Strategy was reviewed by the Policy Scrutiny Group on 10th July 2018. At that meeting the Group considered two versions of the Strategy, the current format and a possible shorter format. The Group expressed a strong preference for the longer format and that has been retained for the new Strategy. The Group also

stated that it was important that the key objectives of the Strategy were set out as clearly as possible and that it supported the statement regarding the role that the Council played regarding social impact and cohesion in the current version of the Strategy (minute 7 2018/19 refers). Work has been done to clarify the key objectives and the statement regarding social impact and cohesion has been retained.

It is proposed to review the Strategy again in five years' time unless significant legislative or other changes make an earlier review necessary.

Report Implications

Financial Implications

There are no direct financial implications arising from this Strategy.

Risk Management

There are no direct risks associated with the decision the Cabinet is asked to make.

Key Decision: No

Background Papers: None

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Part B

Background

1. The previous Procurement Strategy was agreed by the Cabinet on 17th January 2013 (minute 91 refers).
2. The new Strategy has been updated to reflect changes in legislation made in 2015 when EU procurement regulations and other amendments were incorporated into UK law through the introduction of the Public Contracts Regulations. During the last four years there have also been several innovations in procurement techniques, most notably web-based procurement tools like G-Cloud which provides a quick and efficient method to purchase digital solutions which have been incorporated into the Strategy.
3. The amended Procurement Strategy is set out in Appendix A to this report. The revised Strategy has been subject to an Equalities Impact Assessment (attached as Appendix B). This did not result in any changes needing to be made to the Strategy.

Appendices

Appendix A – Procurement Strategy 2018/19 to 2024/25
Appendix B – Equalities Impact Assessment



Charnwood Borough Council

Procurement Strategy

2018/19 to 2024/25

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PROCUREMENT STRATEGY

Introduction

1. The Corporate Procurement Strategy provides a framework for the Council to obtain value in all its procurement activities. The strategy addresses all elements of procurement activity, from identifying the need, considering options, procuring the appropriate goods, services or works, effective supplier and contract management, through to the disposal of assets. The strategy also addresses the many solutions available to the Council, from establishing corporate contracts, using collaborative and consortia arrangements, through to developing long-term strategic partnerships.

2. This strategy continues to provide a clear focus on identifying and delivering efficiencies, but not at the expense of quality. More than ever before, public sector finance is under significant pressure and procurement has a significant role to play in reducing the Council's expenditure through evaluating on the basis of whole life costs with due regard to risk.

3. The current economic climate makes it equally important for the Council to maintain its commitment to supporting the local economy and improving opportunities for businesses to engage with the Council. One of the themes of the Council's Corporate Plan is to make Charnwood a Borough with a strong, diverse economy. The Corporate Plan states that "A strong growing and diverse economy is good for every business, community and household".

4. This strategy, and the supporting Contract Procedure Rules, are designed to reflect current best practice and legislative changes and also provide a framework to enable all the Council's officers to demonstrate value for money whilst taking account of other issues such as sustainability.

5. This Corporate Procurement Strategy is supported by corporate systems that provide guidance and support for all officers of the Council who procure goods, services and works.

Executive Summary

6. This document sets out the Council's strategic approach to procurement. It is not intended to be a procurement manual; however, the principles contained within this strategy should be applied to all procurement activity. Consideration of this strategy is not optional and it should be read in conjunction with the Contract Procedure Rules.

7. The Council has a duty to secure best value and continuous improvement in the way that functions are carried out, having regard to a combination of efficiency, economy and effectiveness. Effective procurement is crucial in securing high quality, best value public services and the Government has

highlighted that the development of a clear procurement strategy is a key step towards achieving best value and delivering demanding efficiency targets.

8. To achieve the Council's objectives it will approach competition positively, taking full account of the opportunities for innovation and genuine partnerships which are available from working with others in the public, private and voluntary sectors. Importantly, this strategy seeks to balance two priorities: delivering efficiencies and quality, and sustainable procurement, engaging with local and regional suppliers to promote the local economy and taking account of the social and environmental impact of spending decisions.

9. The Council's approach to procurement also relies on developing a collaborative approach to procurement with other authorities and organisations such as the Eastern Shires Purchasing Organisation (ESPO) and EMPA/SCAPE to achieve economies of scale where appropriate. This strategy provides a corporate focus for procurement. It embraces the authority's commitment to strategic procurement and sets out the Council's aspirations. It is not a "user manual"; more detail on procurement processes and issues will be found in the Charnwood Borough Council Procurement Toolkit and Contract Procedure Rules.

Procurement in context

10. Procurement is defined as:

"Procurement is the process of acquiring goods, works and services, covering both acquisitions from third parties and from in-house providers. The process spans the **whole cycle** from identification of needs, through to the end of a services contract or the end of the useful life of an asset. It involves options appraisal and the critical "make or buy" decision, which may result in the provision of services in-house in appropriate circumstances."¹

11. Strategic Procurement

Strategic procurement is a series of activities and processes that sits at the heart of the Council, providing the framework by which the Council obtains value for money in all the goods, services and works that it requires. This can be illustrated by the following diagram, which shows the interrelationship between the role of corporate procurement and the Council as a whole.

¹ National Procurement Strategy for Local Government - Oct. 2003, ODPM.



12. Principles for Effective Procurement

It is important to ensure that procurement decisions are legal, ethical and in accordance with the policies and procedures of the Council and that consideration is given to the impact on the economic, social and environmental well-being of the Borough.

The Corporate Plan

13. Effective procurement is crucial to achieve continuous improvement and to securing value for money in public services. The Council is one of the larger purchasers of goods and services in the Borough, and has both legal and ethical responsibilities when making procurement decisions.

14. Coordinated and focused procurement activity enables the Council to proactively support the Corporate Plan in a range of areas including;

Priority:	Action:
Promote a borough with a strong and diverse economy	Provide opportunities and procurement support to local businesses
Seek ways to deliver better services as efficiently as possible	Manage Procurement process to deliver contracts which provide the most economically advantageous solutions

Policies

15. Sustainable Procurement - Sustainable Procurement is a process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating

benefits not only to the organisation, but also to society and the economy, whilst minimising damage to, or indeed improving the environment. Simply, sustainable procurement is good procurement.

16. The Council is working regionally to develop and promote models of sustainable procurement, and engage with local partners, other public sector organizations, the business community, agencies and the voluntary sector to test these models. It is important to build internal capability for implementing sustainable procurement and the Council provides courses to increase awareness and build skills.

Economic Regeneration

17. The Council is one of the larger spending organisations in the Borough, and the more money that is spent locally, the greater the positive impact this will have on the local economy, particularly for small and medium sized businesses.

18. Procurement legislation limits the Council's ability to favour local businesses, but there are numerous ways in which it can legitimately support local businesses, including:

- working proactively with partners to support local businesses through media and workshops to explain how to do business with the Council, and obtain their feedback in order to improve documentation and processes

- providing information about future procurement activity, and advertising tenders on the Electronic Contract Management System, Contracts Finder and Source Leicestershire (links provided below)

- <http://data.charnwood.gov.uk/finance/contractlist>

- <https://www.contractsfinder.service.gov.uk/Search>

- and <http://www.sourceleicestershire.co.uk>

- running supplier engagement events.

- packaging contracts, letting in lots where possible, in a manner that does not preclude the following from tendering:

- local and regional companies
- micro, small and medium sized enterprises
- newly formed businesses
- the voluntary and community sector

19. The challenge for procurement is to balance the following conflicting priorities:

- obtaining value for money and the required quality

- sourcing locally where possible within the legislative framework

- procuring in a sustainable way with regard to environmental, social and economic factors, and

- reducing the number of suppliers (especially those where annual spend is less than £1,000).

Social Development

20. The Council is one of the larger spending organisations in the Borough and has a role to play in addressing social impact and cohesion across the Borough. Social benefits include the creation of employment and training opportunities.

21. The Council recognises and values the added benefits that the voluntary, community and social enterprise sectors can provide. Council policy is that procurement for more than £25,000 is advertised on Contracts Finder in Source Leicestershire and on the Charnwood Borough Council Contract Register site and where appropriate, to identify potential voluntary sector suppliers and invite them to quote.

This £25,000 limit relates to the life of a contract so if the supply is for, say, four years then the annual value will be £6,250.00 which should make the business attractive to smaller entities and not-for-profit organisations.

22. Where relevant to the subject matter of the contract, the bidders approach to tackling unemployment, creating training, apprenticeship opportunities especially for disabled apprentices and 'supported businesses' (organisations where 50% or more of their workforce are disabled) will be incorporated into the procurement process. Furthermore, the Council is continuing to work with the supply chain to continually seek improvements and to address ethical issues, for example, adopting, where appropriate, the use of Fair Trade products and supporting local suppliers.

23. For supplies under £25,000, the relevant Service Manager will obtain three written quotations and they would usually seek to obtain quotations from local suppliers where possible.

24. Under the Public Services Social Value Act it is a legal requirement for local authorities to consider social value in making procurement decisions. Charnwood Borough Council will take account of outcomes that organisations can achieve that are additional to, and not the main focus of, their provision. For example, when tendering to provide Tree Surgery services suppliers could offer added social value by detailing outcomes they could achieve to improve training opportunities, apprenticeships and employability within the borough.

Environmental Management

25. The Council, along with its partners, is committed to ensuring that services are delivered in a way that protects the quality of the environment and minimises any adverse impact on community well-being. The Council recognises that procurement can be integral in delivering more sustainable outcomes for the district. To achieve this it is necessary to ensure that environmental and broader sustainability considerations are taken into account throughout the procurement process.

26. The approach to sustainable procurement reflects the corporate approach to sustainability. Specific guidance on sustainability issues in procurement is included in the procurement tool kit.

27. The Council has adopted an Environmental Policy. This is updated periodically, most recently in 2015.

28. Equally important, the Council will apply procedures for the proper management and disposal of assets to ensure both value for money and to minimise any adverse impact on the environment.

Equality and diversity

29. Sustainable procurement also embraces the Public Sector Equality Duty set out in the Equality Act 2010 ensuring that equality and diversity, including cohesion is addressed in all procurement activity, irrespective of whether provided from within the Council or indirectly through another organisation.

30. It is imperative that at all times when referring to equality and diversity that the Council explicitly considers each of the following characteristics protected under the Equality Act 2010:

- Age
- Disability
- Gender reassignment
- Marriage and civil partnership
- Pregnancy and maternity
- Race (including colour, nationality and ethnic or national origins)
- Religion or belief (including atheist beliefs and no religion or belief)
- Sex
- Sexual orientation (gay, lesbian, bisexual and heterosexual)

31. The Public Sector Equality Duty requires the Council, as a public sector organisation, to have due regard to equality and diversity in the carrying out of its procurement function to:

Eliminate unlawful discrimination, harassment and victimisation as set out in the Equality Act 2010, i.e. remove or minimise disadvantages suffered by people due to their protected characteristics.

Advance equality of opportunity, i.e. take steps to meet the needs of people from protected groups where these are different from the needs of other people.

Promote good relations between different groups, i.e. encourage people from protected groups to participate in public life or in other activities where their participation is disproportionately low

32. The Council is addressing this through:
- Building equality and diversity terms and conditions into standard procurement documents.
 - Providing guidance for potential and existing bidders that include demonstrating the business case for equality and diversity.
 - Assisting Council Officers in addressing equality and diversity in procurement activity including undertaking risk logs and Comprehensive Impact Assessments (CIAs), where required, that include equality and diversity at the start of the procurement process to build equality and diversity requirements into contracts where relevant to do so.
 - Monitoring contracts in respect of the undertaking of Comprehensive Impact Assessments and risk logs.
 - Monitoring compliance against equality and diversity requirements in contracts

Principles for Effective Procurement

33. The following principles will form the basis of all procurement activity in order to achieve value for money:
- Strategic procurement will support improved service delivery through the freeing up of resources and improving the quality of goods, services and works.
 - Strategic procurement will ensure that the Council obtains value for money in the acquisition and management of its resources, balancing quality and cost.
 - The Council will undertake all procurement activity within a corporate framework to enable all officers to obtain goods, services and works to the required quality in the most efficient manner.
 - All procurement activity will be sustainable, supporting and promoting Council Policies and priorities, including equal rights, sustainability, social cohesion and economic regeneration.

34. The Council will ensure that procurement activity is undertaken in the most effective and appropriate manner, considering all options including (the following is not exclusive):

- Develop, promote and enforce the use of corporate contracts.
 - use consortia (for example, ESPO and the Government Procurement Service Crown Commercial Services)
 - use approved nationally negotiated contracts (for example those arranged by East Midlands Property Alliance 'EMPA')
 - use approved e-procurement solutions for example G-Cloud
 - collaborative procurement with other Councils and organisations.

- develop strategic partnerships, particularly where these will deliver significant service improvement and / or efficiencies.

All procurement activity will be assessed on a whole life costing and benefits basis with due regard to risk.

Procurement activity will be transparent (and fully compliant with the Data Protection Act 2018, Public Contract Regulations 2015 (CPR2015) and Freedom of Information Act 2000), fair, consistent and be undertaken to the highest standards of probity and accountability. Procurement decisions must be evidence based.

35. The Council will manage procurement through its Central Procurement Team. The service will not be a central buying unit but it will be a corporate resource which leads on letting corporate contracts and supporting projects, whilst allowing departmental purchasing officers (who have best knowledge of their particular requirements) to procure within a clear corporate framework. It will provide support to departmental purchasing officers in undertaking high value/high risk procurements and monitor procurement activity across the Council. The service will comprise a small team of skilled and experienced officers, and the activity of the service will be predicated on maximising benefits for the Council overall.

36. The training and development needs of all officers buying for the Council will continue to be assessed, and the Central Procurement Team support all officers that buy for the Council to ensure that they are informed of new corporate contracts and changes in procurement legislation .

37. It is important that procurement is seen and managed as a component of the commissioning cycle, illustrated in the following diagram:



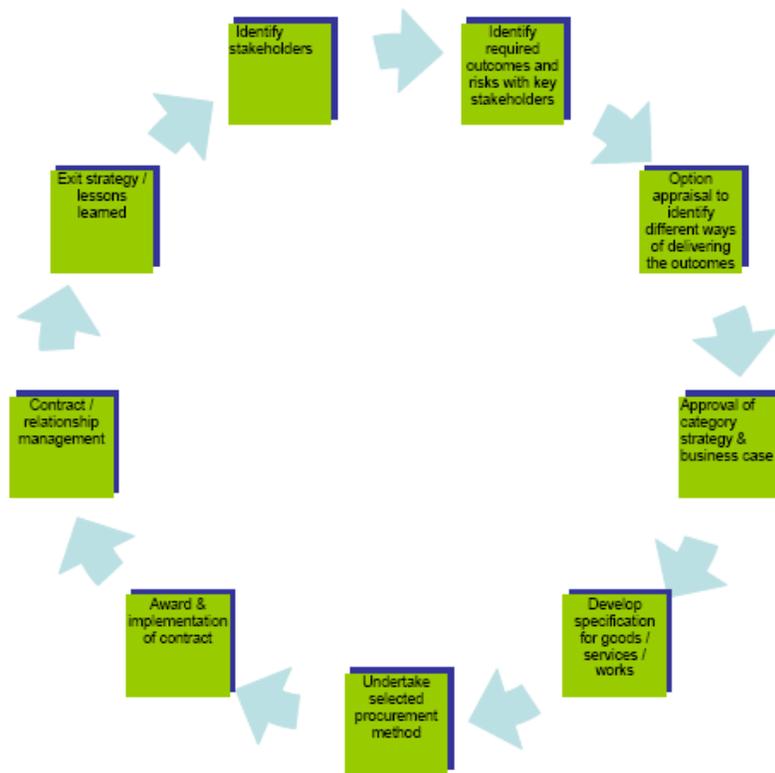
38. Strategic Framework and Corporate Objectives: - Procurement activity will operate within a strategic framework consisting of this Corporate Procurement Strategy and Contract Procedure Rules. Procurement activity must be carried out in a manner which supports the Council's strategic priorities and the

Corporate Plan. This includes contributing to a safer and more secure environment, supporting the local economy, promoting equality, putting the customer at the heart of everything it does and being open, responsive, honest and accountable to the public in its decision making.

39. Prioritise and Plan: - Strategic procurement activity will be planned over a three year cycle with annual Procurement Plans to be agreed by Cabinet. It will be undertaken in a performance management environment and will prioritise areas of activity that will generate significant savings or improved quality, and/or contribute to corporate priorities and service improvements. Localised service procurement activity will also be planned in order to avoid “panic” buying and ensure that the service optimises its supply of all necessary goods and services. Good planning will allow common areas of spend across the authority to be aggregated in order to obtain economies of scale and secure value for money.

40. Options Appraisal and Service Delivery: - Procurement decisions need to be taken such as whether it is necessary to obtain the goods, services or works, and whether they should be obtained internally or externally. Decisions also need to be made as to the most appropriate route to procure goods, services and works to ensure that the Council achieves value for money. Option appraisals will include alternative models of service delivery including shared services with other public sector organisations, outsourcing of services and collaborative opportunities.

41. Procure Solutions - The actual procurement process will depend on the required outcomes, but a typical process is illustrated in the diagram below. In all cases the process must comply with the Council’s Contract Procedure Rules.



42. Monitor and Review: - The monitoring and management of contracts is a critical factor, and can make the difference between a successful contract and a failed one. Contractual arrangements should be effectively managed and monitored throughout the contract duration. All contracts should include quality and performance standards which are monitored and reviewed by a nominated officer. Contracts will be subject to continual review and vendor appraisal exercises. Similarly, benchmarking should be undertaken on a planned basis in liaison with both public and private sector organisations to measure the effectiveness of procurement decisions. A good working relationship should be developed with all suppliers, with liaison meetings with major suppliers held at suitable intervals. Plans should be made well in advance of the expiry of a contract for re-letting it based on a review of previous and current arrangements and performance.

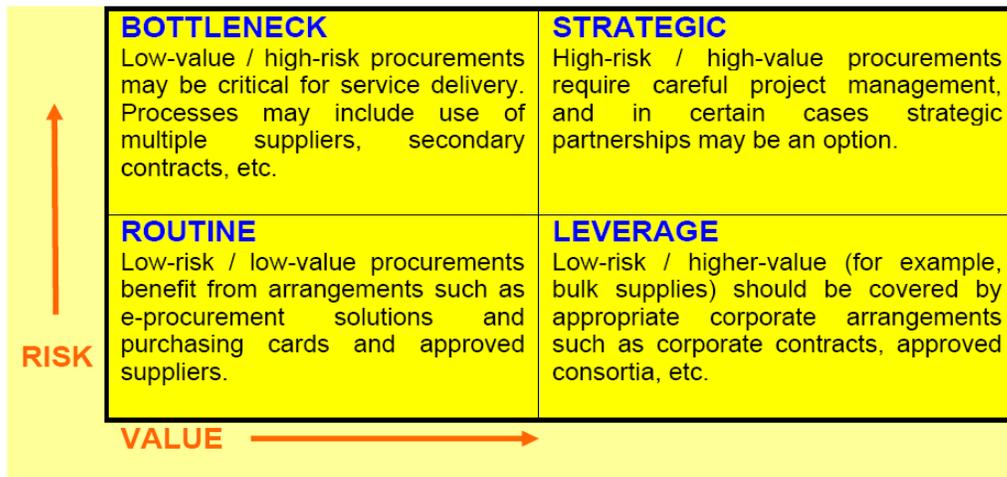
43. The Procurement Toolkit and Contract Compliance Rules should be used for guidance on all of the above stages of the procurement cycle.

44. Procurement Analysis - The choice of procurement method will be dependent on the strategic importance, the value of the goods, services or works, and the potential risk associated with each procurement option. Different procurement options will be suitable for different goods and services and will involve undertaking different practical steps to achieve the desired outcome. The Council will develop its overall management of procurement by modelling its

requirement on a risk/value matrix, illustrated below. Equally, individual procurement decisions should also be considered on their own merits following an appraisal of the suitable procurement options. It is important that the option selected is the one most likely to deliver optimum value for money for the Council and its citizens, and tenders should thus be evaluated using a balanced scorecard evaluation model.

45. The following diagram illustrates the possible procurement options available:

Diagram: Procurement Analysis



Value for Money

46. The Council remains committed to achieving Value for Money, in order to demonstrate economy, efficiency and effectiveness of service delivery. Procurement decisions such as whether to continue to provide the goods, services or works, and whether to provide them internally or externally are central to this requirement.

47. It is essential that the Council not only adopts processes to secure best value, but can evidence the efficiencies obtained and also has to the ability to radically re-think and re-shape the way the Council undertakes procurement so that continuous improvement becomes a key element of its strategy.

48. The Council is therefore:

- driven by optimising outputs and results
- driving down the cost of goods and services procured by the Council
- balancing quality and cost
- responding promptly and effectively to service and residents requirements
- minimising administrative processes and unnecessary bureaucracy
- ensuring simple or routine transactions can be carried out in the most efficient manner
- considering all options in obtaining the most appropriate solution
- valuing innovation and creativity
- using competition to obtain best value
- proactively supporting the Council's policies and priorities
- complying with legislation
- being transparent and accountable.
- working with other public sector organisations in order to achieve value for money and maximise economies of scale for routine supplies.

49. In order to demonstrate value for money, the following is built into procurement activity:

- procedures to manage contractual arrangements are established with performance measured and reported, including benchmarking arrangements.
- procurement procedures and processes are regularly reviewed.
- the management of risk is an integral part of the procurement process.
- the Council invests in procurement training and systems to support the procurement process.
- every contract must be properly managed by an identified contract manager who will possess adequate contract management skills and experience.

50. The Council has a range of in-house services and unless otherwise approved by the relevant Strategic Director (for the in-house service), external businesses will not be used where the requirement can be delivered in-house. Should the Council take a decision that an in-house service be exposed to competition, it will undertake this in an open and fair manner, and ensure that:

- staff and their representatives are fully and properly consulted
- appropriate outcomes, performance standards and monitoring processes are developed
- all information required for a due diligence process is identified and collected
- innovation is encouraged
- relevant Council policies and priorities are incorporated into any specification
- probity, accountability and competitive neutrality is ensured and conflict of interest is avoided or managed
- the responsibilities and accountabilities of all parties are explicit.

51. A key objective of this procurement strategy is to provide a means to improve quality and efficiency by harnessing competition. This can be through either:

Indirect competition - (for example, via benchmarking, market testing or external challenge). The Council will assess the competitiveness of different functions by reference to other Councils and organisations. In addition to comparing performance, this provides a vehicle for individual and organisational development, learning from experience and good practice.

Direct competition - (i.e. alternative means of procurement). The 'best value' review process will enable the Council to consider whether alternative means of procurement or service delivery is appropriate.

52. Construction - This is one of the Council's largest areas of spend and includes building and planned maintenance. Traditional approaches to construction-related procurement have tended to be adversarial and often result in overspend or project over-runs. The Council is applying appropriate principles to construction-related procurement activity through the development of partnering contracts and innovative solutions, including a strategic partnership with SCAPE/EMPA.

53. Consultants - The Council will have an ad-hoc requirement to use external consultants and advisers to provide specialist advice and services not available within the Council and to provide support and challenge for major projects. The procurement, utilisation and management of consultants (and assessment of the resulting required outcomes) should be managed in accordance with guidance issued in the Contract Procedure Rules.

Performance Management in Procurement

54. Procurement activity, like all other Council activities, should be undertaken in a performance management environment. Key issues to consider in respect of performance management include:

55. Efficiency - Ensuring that we are driving down the cost of the goods, services and works we procure without compromising quality by securing contracts which are obtained by the Most Economically Advantageous Tenders (MEAT) tendering procedures. Contracts approaching an optional extension period are an ideal opportunity to reduce costs with existing suppliers. Our contracted suppliers can often suggest ways for the Council to make savings so contract managers should be in constant dialogue with their suppliers to ensure costs are kept to a minimum.

56. Planning - Planning annual procurement activity in advance will enable officers to undertake procurement in a more structured manner, identify options and prepare properly.

57. Specifications - Where possible should include measurable outputs or outcomes, performance standards or other appropriate measures by which the contract can be assessed.

58. Contract Management - This is a major factor in the success or failure of a contract. All contracts should have a nominated officer with responsibility for monitoring and managing the contract, including the development of relationship management.

59. Risk Based Approach to Procurement - Risk will be managed throughout the procurement cycle to ensure that risks are identified and managed by the most appropriate stakeholder. Risk registers shall be prepared for all procurement processes in accordance with the Contracts Procedure Rules and will be revisited at key milestones in the procurement process and throughout the life of the contract.

60. Review - It is important that lessons are learned (what went well, what didn't go well), in order to inform future procurement decisions. Problems encountered in a project should be fed into risk analysis models for future projects.

61. Training and Development - The key to delivery of effective public sector procurement requires people who are suitably trained and qualified to provide the necessary "professional" input. This ranges from a formal procurement qualification and wide experience, to knowledge of basic procurement techniques. The level of expertise required depends on the frequency and complexity of the procurement activity in individual posts.

62. Project Management - Any project which involves significant risk including: staff transfer; significant implications across a number of service areas or significant potential for reputation or financial risk, will be managed in an appropriate manner using the Council's approved project management methodology. In addition, progress reports will be provided through the project governance structure and/or the Senior and Corporate Management Teams, as appropriate, at key milestones.

Partnerships and Partnering

63. The Council acknowledges the importance of partnerships in delivering services. It already benefits from a range of partnerships (with private, public and voluntary organisations).

64. The process of carrying out fundamental performance reviews will foster an open and constructive dialogue with all those involved or who may have something to contribute, be it from within the Council itself, or through partnership arrangements with the private and/or voluntary sectors. The Council will encourage the development of new methods or approaches to procurement that will deliver services more efficiently, effectively and economically.

65. The Council already delivers a range of services via the Voluntary and Community Sector, such as John Storer House Foundation and the Charnwood Citizens Advice Bureau. In specific instances (subject to the evidence of a robust business case), a properly procured and managed strategic service delivery partnership can deliver ways in which the Council can realistically achieve step-changes in service quality. Strategic partnering can provide access to new skills, resources and ways of doing things and allow for innovation and the pursuit of difficult or long-term goals. Partnerships can provide access to investment, skills, and new opportunities that the Council is unable to acquire alone.

66. The Council is committed to exploring all options in order to provide the quality services required for now and the future.

E-Procurement

67. E-procurement is "doing business" electronically. All purchase orders should be placed using the Council's Agresso procure-to-pay system. The benefits of e-procurement include:

- delivering savings through streamlining the internal procurement procedures and processes
- providing a framework to ease the ordering of goods, services and works whilst maintaining compliance with legislation
- improving services

68. The Council adopts a comprehensive set of e-procurement solutions that include:

The Agresso procure-to-pay solution across the Council streamlines the process from initial requisition through to the payment of the invoice. The system is fully integrated with the Council's financial system and currently over 75% of orders are placed this way.

The BiP Solutions Contract Management System an electronic tendering solution which facilitates the complete tendering process from the advertising of the requirement through to the placing of the contract. This includes the exchange of all relevant documents in electronic format.

The use of G-Cloud digital Market Place a web based procurement tool hosted by Crown Commercial Services (CCS) to find digital specialists, cloud-based services and technology for the public sector. E-auctions where appropriate. An e-auction or reverse auction allows suppliers to compete for the council's business by outbidding each other in terms of quality, price and/or other criteria. The e-auction allows this to take place 'real-time' on the internet.

69. Advancement in technology is eliminating unnecessary cost from the procurement process and releasing resources to be utilised more efficiently elsewhere. The integrated procure-to-pay process across the Council has delivered real savings and improved management information.

70. E-procurement also allows authorities to work collaboratively to achieve economies of scale and shared expertise and knowledge as demonstrated by the Leisure Centre Management Joint Procurement Contract.

71. The Council is an active partner in the East Midlands Cities and Districts Procurement Forum which identifies collaborative opportunities, aims to streamline the procurement process and further enhance the use of e-tendering.

Code of Conduct for Procurement

72. All procurement activity must be undertaken to the highest standards of ethics and probity. The Council insists on ethical standards from its suppliers, and in turn it must exhibit the highest ethical standards itself. Officers and members must not only be fair and above board in all business dealings, but should also avoid any conduct that is capable of having an adverse interpretation put on it.

73. As a condition of employment, all employees must adhere to the Officers' Code of Conduct including the requirements it contains in respect of registering interests and gifts and hospitality. Amongst other things, the Code requires employees to:

declare in writing to the Council for recording in the Register of Interests, any financial interests which could conflict with the authority's interests including any contracts with the Council in which

they or their partner have a pecuniary interest and any current or previous relationship with suppliers or potential suppliers they will be involved with as a result of their Council employment
award contracts only on merit in accordance with the Council's rules and procedures and not conduct themselves in a manner that shows favour, or suggests favour might be shown, to particular suppliers not disclose confidential information to which they have access
decline offers of hospitality and gifts (other than those of token value) from suppliers.

End

Charnwood Borough Council

Equality Impact Assessment 'Knowing the needs of your customers and employees'

Background

An Equality Impact Assessment is an improvement tool. It will assist you in ensuring that you have thought about the needs and impacts of your service/policy/function in relation to the protected characteristics. It enables a systematic approach to identifying and recording gaps and actions.

Legislation- Equality Duty

As a local authority that provides services to the public, Charnwood Borough Council has a legal responsibility to ensure that we can demonstrate having paid due regard to the need to:

- ✓ Eliminate discrimination, harassment and victimisation
- ✓ Advance Equality of Opportunity
- ✓ Foster good relations

For the following protected characteristics:

1. Age
2. Disability
3. Gender reassignment
4. Marriage and civil partnership
5. Pregnancy and maternity
6. Race
7. Religion and belief
8. Sex (Gender)
9. Sexual orientation

What is prohibited?

1. Direct Discrimination
2. Indirect Discrimination
3. Harassment
4. Victimisation
5. Discrimination by association
6. Discrimination by perception
7. Pregnancy and maternity discrimination
8. Discrimination arising from disability
9. Failing to make reasonable adjustments

Note: Complete the action plan as you go through the questions

Step 1 – Introductory information

Title of the policy	Procurement Strategy 2019-2024
Name of lead officer and others undertaking this assessment	David Howkins (Procurement Manager)
Date EIA started	September 2018
Date EIA completed	December 2018

Step 2 – Overview of policy/function being assessed:

Outline: What is the purpose of this policy? (Specify aims and objectives)
To ensure that stakeholders and suppliers are aware of the strategic aims of the authority in respect of Procuring Goods, Services and Works and to ensure that Charnwood Borough Council meets with all relevant EU regulations the Public Contract Regulations Act 2015 and the Charnwood Borough Council Contract Procedure rules.
What specific group/s is the policy designed to affect/impact and what is the intended change or outcome for them?
The aims of the Procurement Strategy is to ensure that all groups are treated equally in accordance with EU regulations Public Contract Regulations Act 2015 and the Charnwood Borough Council Contract Procedure rules.
Which groups have been consulted as part of the creation or review of the policy?
Lead Member for Finance and Property and Policy Scrutiny Group.

Step 3 – What we already know and where there are gaps

List any existing information/data do you have/monitor about different diverse groups in relation to this policy? Such as in relation to age, disability, gender reassignment, marriage and civil partnership, pregnancy & maternity, race, religion or belief, sex, sexual orientation etc.
Data/information such as: <ul style="list-style-type: none"> ▪ Consultation ▪ Previous Equality Impact Assessments ▪ Demographic information ▪ Anecdotal and other evidence
The previous Procurement Strategy has not been questioned or challenged in relation to any of the protected characteristics within the Equality Act 2010. Additionally, Charnwood Borough Council has not received challenges from suppliers for breaching EU Regulations or Public Contract Regulations Act 2015. All bidders are reminded of their Equalities obligations in Charnwood Borough Councils Request for Quotation and Tendering documents.

What does this information / data tell you about diverse groups? If you do not hold or have access to any data/information on diverse groups, what do you need to begin collating / monitoring? (Please list)
N/A

Step 4 – Do we need to seek the views of others? If so, who?

In light of the answers you have given in Step 2, do you need to consult with specific groups to identify needs / issues? If not please explain why.
Head of Finance and Property the Lead Member for Finance and Property and Policy Scrutiny Group no other bodies have been consulted the Procurement process is heavily prescribed and regulated we are not able to shape a procurement process to favour any particular group.

Step 5 – Assessing the impact

In light of any data/consultation/information and your own knowledge and awareness, please identify whether the policy has a positive or negative impact on the individuals or community groups (including what barriers these individuals or groups may face) who identify with any 'protected characteristics' and provide an explanation for your decision (please refer to the general duties on the front page).	
	Comments
Age	All age groups are treated equally.
Disability (Physical, visual, hearing, learning disabilities, mental health)	Contracts are open to all employers.
Gender Reassignment (Transgender)	There are no barriers in the procurement process to Transgender Groups.
Race	There are no barriers in the procurement process to Racial Groups.
Religion or Belief (Includes no belief)	There are no barriers in the procurement process to any religious Groups.
Sex (Gender)	There are no barriers in the procurement process to any Gender Groups.
Sexual Orientation	There are no barriers in the procurement process to any Sexual Orientation.
Other protected groups (Pregnancy & maternity, marriage & civil partnership)	There are no barriers in the procurement process to maternity or marital status.
Other socially excluded groups (carers, low literacy, priority neighbourhoods, health inequalities, rural isolation, asylum seeker and refugee communities etc.)	The Procurement process is designed to be as inclusive as possible.

Where there are potential barriers, negative impacts identified and/ or barriers or impacts are unknown, please outline how you propose to minimise all negative impact or discrimination.

Please note:

- a) If you have identified adverse impact or discrimination that is illegal, you are required to take action to remedy this immediately.
- b) Additionally, if you have identified adverse impact that is justifiable or legitimate, you will need to consider what actions can be taken to mitigate its effect on those groups of people.

All bidders in Procurement processes are reminded of their legal obligations under the Equalities act 2010 please see below.

- 1.1 Is it your organisation's policy as an employer to comply with its statutory obligations with regards to groups with Protected Characteristics under the Equalities Act 2010? **Yes/No**
Bidders who answer 'No' will fail the Legal Obligations Section.
- 1.2 Organisations that employ 5 or more staff are legally required to have a written Equalities Statement. Please confirm if you have a statement and that it is communicated within your organisation, or less than 5 staff.
- Yes I have a Statement
- Organisation has less than 5 staff
- No Statement & more than 5 staff

Please note that answering 'No statement & more than 5 staff' will result in bidders automatically failing the Legal Obligations Section.

Summarise your findings and give an overview as to whether the policy will meet Charnwood Borough Council's responsibilities in relation to equality and diversity (please refer to the general duties on the front page).

The procurement process is robust when procurement documents are used to identify the suppliers of Goods, Services and Works we can ensure that all Suppliers meet their legal obligations.

■ **Step 6- Monitoring, evaluation and review**

Are there processes in place to review the findings of this Assessment and make appropriate changes? In particular, how will you monitor potential barriers and any positive/ negative impact?

Our template documents are constantly being reviewed to incorporate any changes in legislation. Any barriers and unintended negative impact will be monitored and addressed by the Corporate Complaint System, as appropriate.

How will the recommendations of this assessment be built into wider planning and review processes? e.g. policy reviews, annual plans and use of performance management systems.

The Procurement Strategy 2019-2024 will be reviewed in 2023.

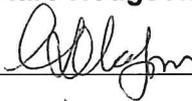
Step 7- Action Plan

Please include any identified concerns/actions/issues in this action plan: The issues identified should inform your Service Plan and, if appropriate, your Consultation Plan			
Reference Number	Action	Responsible Officer	Target Date
001	Barriers/ unintended negative impact of the Procurement Strategy to be monitored and assessed via the Corporate Complaints System.	Procurement Manager	Ongoing

Step 8- Who needs to know about the outcomes of this assessment and how will they be informed?

	Who needs to know (Please tick)	How they will be informed (we have a legal duty to publish EIA's)
Employees		
Service users		
Partners and stakeholders	✓	This EIA will append the Strategy for decision making by elected members at Cabinet. The EIA itself will then be published on the Councils webpage for openness and transparency.
Others	✓	
To ensure ease of access, what other communication needs/concerns are there?		

Step 9- Conclusion (to be completed and signed by the Service Head)

Please delete as appropriate	
I agree / disagree with this assessment / action plan	
If <i>disagree</i> , state action/s required, reasons and details of who is to carry them out with timescales:	
Signed (Service Head): Clare Hodgson 	
Date:	09/10/18

Please send completed & signed assessment to Suzanne Kinder for publishing.