

<b>Committee:</b>	Governance, Audit and Performance Committee	<b>Date:</b>
<b>Title:</b>	National Procurement Strategy Toolkit Assessment	Wednesday, 30 November 2022
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## Summary

1. The Local Government Association (LGA) published its National Procurement Strategy for Local Government in England 2022 (NPS), on the 30 August, which focuses on the role of councillors and council officers in the procurement of goods and services.
2. The NPS provides a toolkit to support councils to set objectives in each of the key areas covered by the strategy and to assess their progress against these.
3. The LGA state that the toolkit is for guidance only and it is recognised that 'one size doesn't fit all'.  
*'The expectations are that each council chooses the level of maturity it will aim for in each of the key areas. These choices will reflect local priorities and the resources available to the council. It is recognised that district councils may have different objectives to larger councils and each council can determine what maturity level is right in their own local context'.*
4. This report provides an assessment of the council's current maturity against the key areas and identifies where there are opportunities to improve.

## Recommendations

5. This is a report for the Committee to note and there are no recommendations associated with it.

## Financial Implications

6. No direct financial implications

## Background Papers

7. The following papers were referred to by the author in the preparation of this report and are available for inspection from the author of the report.  
[National Procurement Strategy for Local Government in England 2022 | Local Government Association](#)

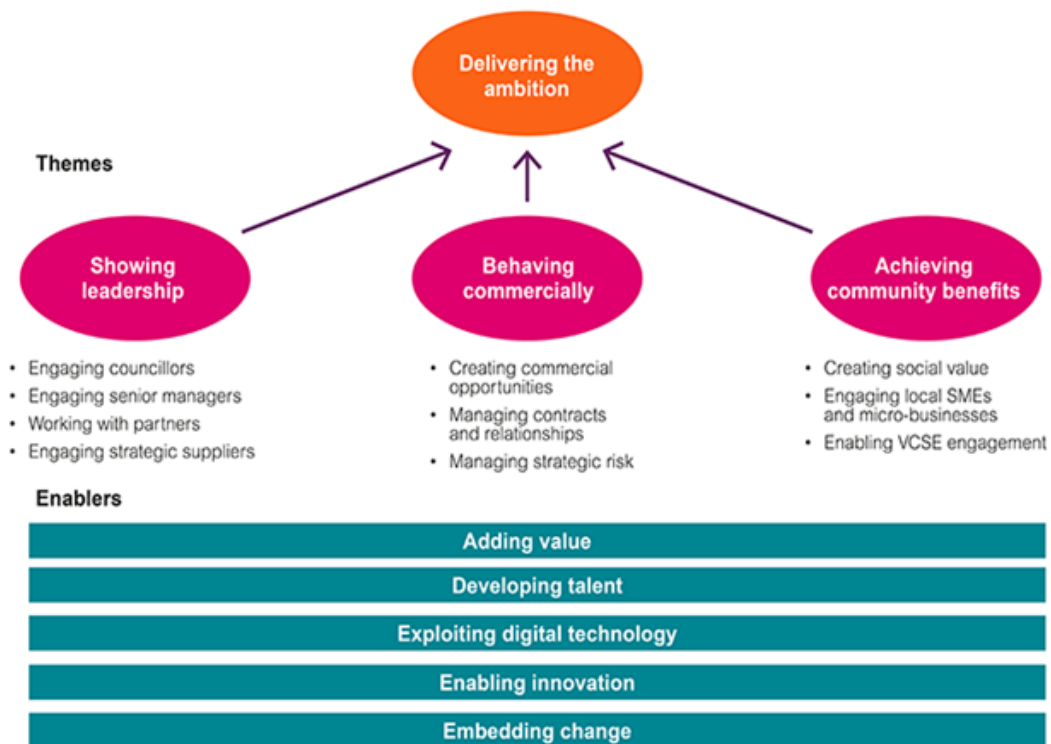
## Impact

8.

Communication/Consultation	Corporate Management Team and Informal Cabinet Board
Community Safety	N/A
Equalities	N/A
Health and Safety	N/A
Human Rights/Legal Implications	N/A
Sustainability	N/A
Ward-specific impacts	N/A
Workforce/Workplace	N/A

## Situation

9. The Procurement Strategy was presented to the Governance, Audit and Performance Committee on the 29 September 2022, and it was agreed that an assessment of the Council's procurement performance would be carried out using the NPS toolkit and the outcomes reported to November GAP committee.
10. The council spends significant sums of money on procuring goods, in general terms everything except direct staffing and agency costs are classed as procurement (this includes consultants). The annual spend on procured goods for normal service delivery based on the 2022/23 budget (actual costs may vary).
  - General Fund - £11m
  - Housing Revenue Account - £4m
11. The capital programme spend is also subject to procurement rules and covers significantly higher individual spend for specific projects or programmes, for example, a new social housing development or the cyclical replacement of the waste vehicle fleet.
12. Please note that not all procurement spend is covered by a formal contract, lesser valued goods and services are purchased via a purchase order and these make up a large proportion of procurement spend.
13. The NPS is attached to this report and will provide members with full details of all the key themes and the associated objectives within each one, the diagram below provides a summary of the themes.



14. The toolkit provides a basis for government bodies to assess themselves against each of the objectives within the key themes and provides guidance on what is required to achieve each level of maturity, these are described as

- Minimum
- Developing
- Mature
- Leader
- Innovator

15. The key priorities going forward will focus on the phases set out in the Procurement Strategy.

- Use of National Themes, Measures and Outcomes (TOMS), including Social Value
- Climate Change
- Contract Management

16. The assessment shows that the council is at various stages in maturity across the four themes and our ambition needs to be proportionate to the organisation and available resources. The toolkit assessment will be reviewed annually to assess progress and review our ambitions.

17. The full assessment of the council's performance against the toolkit is shown at the end of this report as Appendix A. The green ticks show where we view our current performance, and the red ticks sets our ambition for the future. It should be noted that our ambitions will be profiled over the 4 year life of the Procurement Strategy. The NPS toolkit is attached as Appendix B.

18. The three themes contain 10 sub themes and a total of 64 objectives, a summary of our performance and ambition for each theme using the criteria in the NPS are;

- **Showing Leadership** – there are 17 objectives and our current maturity levels show, 4 objectives at mature, 9 developing and 4 minimum. The ambition is that we improve this to 14 objectives at mature and 3 as leader.
  - **Behaving Commercially** – there are 20 objectives of which our maturity is 10 minimum and 10 developing. The ambition for this theme would be to achieve 18 mature and 2 developing.
  - **Achieving Community Benefits** – this theme has 25 objectives, and our maturity level is 14 developing and 11 minimum, with an ambition of increasing our maturity on 1 of the minimum objectives to developing, giving a total of 15 objectives at developing level.
19. Cllr Neil Hargreaves is the portfolio holder for Finance and Budget, and this includes responsibility for Procurement, which meets the criteria of 'Champion'.
20. A training session on Procurement was held on the 15 November and all Governance, Audit and Performance committee members (and substitutes) were invited to attend, this training will be offered to all other members of the administration.
21. Earlier in the year all senior officers who hold responsibility for procuring goods and services attended a training session and refresher training will be offered over the next twelve months. This training will set out the council's ambitions and their responsibilities and contributions in delivering these.
22. The council is setting up a new team, Business Performance and Risk Management and the team responsibilities will include Contract Management.
23. The recruitment process to appoint a Contract Officer is in progress, and we hope to appoint to this post following interviews on the 15 December. Once the successful candidate is in post, we will develop a risk-based contract management framework and guidance to support service managers in formal contract management procedures.
24. A comprehensive list of contracts will also be produced which will support many of the ambitions within the assessment.
25. The Procurement Team and the Business Performance and Risk Management Team (once the Contract Officer is in post), will work together on delivering both the ambitions of the council as set out in the assessment and embed the principles of the Procurement Strategy into our procurement of goods and services where applicable and appropriate.

## Risk Analysis

26.

Risk	Likelihood	Impact	Mitigating actions
Lack of resources to deliver the full ambition	2 – difficulty in recruiting	2 – may need to reassess the ambitions set out in the assessment	Work programme will focus on the key priorities

- 1 = Little or no risk or impact
- 2 = Some risk or impact – action may be necessary.
- 3 = Significant risk or impact – action required
- 4 = Near certainty of risk occurring, catastrophic effect or failure of project.

## Procurement Assessment using National Procurement Strategy Toolkit

Uttlesford District Council	Maturity Level				
	Minimum	Developing	Mature	Leader	Innovator
Showing Leadership					
<b>Engaging Councillors</b>					
High level and specific behaviour		✓	✓		
Procurement and commercial champions			✓	✓	
Reporting			✓		
Training		✓	✓		
<b>Engaging Senior Staff</b>					
High level and specific behaviour			✓	✓	
Influence and Impact		✓		✓	
Mission and Strategy			✓		
Processes		✓	✓		
Training and Development		✓	✓		
<b>Working with Partners</b>					
High level and specific behaviour		✓	✓		
Culture		✓	✓		
Governance and processes			✓		
Training and Development		✓	✓		
<b>Engaging Strategic Suppliers</b>					
High level and specific behaviour	✓		✓		
Data collection and analysis	✓		✓		
Engagement of Strategic suppliers	✓		✓		
Early engagement with future strategic suppliers	✓		✓		
Behaving Commercially					
<b>Creating Commercial opportunities</b>					
High level and specific behaviour		✓	✓		
Forward Planning		✓	✓		
Options appraisal (make or buy)		✓	✓		
Market and supplier research and analysis		✓	✓		
Tendering		✓	✓		
Performance reporting	✓		✓		
Post Contract Review	✓		✓		
<b>Managing contracts and relationships</b>					
High level and specific behaviour	✓		✓		
Information storage and accessibility	✓		✓		
Change Control	✓		✓		
Supplier financial distress	✓	✓			
Savings and benefits delivery	✓		✓		
Recognition and cultural acceptance	✓		✓		
Skills and Knowledge	✓	✓			
<b>Managing strategic risk</b>					
High level and specific behaviour	✓		✓		
Fraud and financial loss		✓	✓		
Supply chain and contractor failure		✓	✓		
Modern slavery		✓	✓		
GDPR		✓	✓		
External events		✓	✓		
Achieving Community Benefits					
<b>Creating social Value</b>					
High level and specific behaviour		✓			
Policy and Scope		✓			
Measurement - TOMS		✓			
Commissioning	✓	✓			
Procurement		✓			
Market Engagement and partnerships		✓			
Contract management and reporting	✓				
Governance, accountability and internal management		✓			
<b>Local small and medium enterprises and micro business</b>					
High level and specific behaviour		✓			
Policy and Scope		✓			
Facilitating good relationships with SME's		✓			
Commissioning		✓			
Market engagement and partnerships		✓			
Procurement		✓			
Contract management and reporting		✓			
Governance, accountability and reporting		✓			
<b>Enabling voluntary, community and social enterprise engagement</b>					
High level and specific behaviour	✓				
Policy and Scope	✓				
Facilitating good relationships with VCSE's	✓				
Measurement	✓				
Commissioning	✓				
Market Engagement and partnerships	✓				
Procurement	✓				
Contract management and reporting	✓				
Governance, accountability and reporting	✓				