



Procurement Strategy 2023 – 2027

North Devon District Council

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Procurement Strategy

Foreword

By Councillor Helen Walker, Lead Member for Commercialisation and Resources

Procurement is a wide-ranging discipline. It considers how we all work together to promote quality, performance and value for money through the Council's activities, as well as supporting innovation, sustainable, efficient services.

Procurement is involved in all five of the priorities that the Council has set in its Corporate Plan, including:

- achieving financial security by achieving best value through procurement;
- delivering suitable housing via the procurement of services and works to build/refurbish the accommodation the Council manages;
- protecting climate and the environment through responsible and ethical procurement from local suppliers where possible;
- promotion of economic development through the delivery of regeneration works and services across the district; and
- looking after its communities through the appropriate procurement of customer focussed services

This document outlines our current procurement priorities and gives a guide to North Devon's approach working with Devon Procurement Services.

This Strategy works in tandem with the National Procurement Strategy for Local Government in England and provides a local perspective.

I wish to endorse the themes identified within this Strategy and the part they play in meeting the Council's Corporate Plan.

Introduction

Welcome to North Devon Council's procurement strategy for 2023 and beyond. The strategy builds on recent achievements, complements the Local Government Association National Procurement Strategy, and highlights a range of priorities for the Council's procurement approach.

North Devon's strategic procurement service forms part of the Council's Governance service; a natural fit as a corporate service which contributes across all aspects of the Council's activity, supporting a full system approach. Procurement is about outcomes and we do everything we can to promote an enabling procurement environment.

Procurement is a facilitator through which diverse considerations and objectives are drawn together to form a practical approach. This programme has been developed to support all areas of the Council's activity in a joined-up way, bringing significant added value to our aim of providing the best possible service for North Devon's residents and communities.

Our procurement approach supports the organisation's core purpose and contributes to continual evolution. The procurement function is about far more than just competition and compliance; it is an expansive, value adding system which supports alignment of purpose and overall public value.

This procurement strategy links with the LGA National Procurement Strategy and brings together key considerations. This links into the Council's wider objectives, many of which are highlighted within. Naturally as our landscape continually changes, the strategy will be updated periodically to reflect today's evolving environment.

This Strategy has been developed with the support of Devon Procurement Services and aligns to Devon County Council's own Procurement Strategy.

The Authority Context

North Devon Council proudly serves over 96,000 citizens across the district of North Devon, covering about 675 square miles and is responsible for a wide array of public services.

As a district council, we are responsible for providing services such as Housing, Leisure and Cultural services, Environmental and Regulatory services, Waste Collection and Planning Services. Supporting this we also have our customer services team and back office teams such as our Finance team, Estates team, ICT team and Legal team among others. Also as a billing authority, we are responsible for the collection and administration of Council Tax and Business Rates income on behalf of those that levy it.

The Council has a total gross budget of around £49.914 million for the 2024/25 financial year across its capital and revenue work streams, varying through each annual budget, with the main change between years being in large capital projects. More details on the Council's budgets for service areas can be found in our budget book:

<https://www.northdevon.gov.uk/council/performance-and-spending/budgets-and-spending>

The Council applies many different service delivery models and contract types across its operations, using a 'right model for the right service' approach. This includes use of single and multiple provider framework agreements operated by central purchasing bodies. We also make use of small lots where possible in delivering larger projects and enter into a wide array of simple to complex contracts depending on the project at hand (for instance from straight forward disabled facility grant works contracts all the way to the complexity of a contract for the design, build, operation and maintenance of our leisure facilities).

For the Council's Corporate Plan please visit:

<https://www.northdevon.gov.uk/council/strategies-plans-and-policies/corporate-plans-strategies-and-policies/corporate-plan>

A breakdown of the Council's spend across its services can be viewed at the following link:

<https://www.northdevon.gov.uk/council-tax/council-tax-charges-and-how-it-is-spent>

Local Government Association National Procurement Strategy

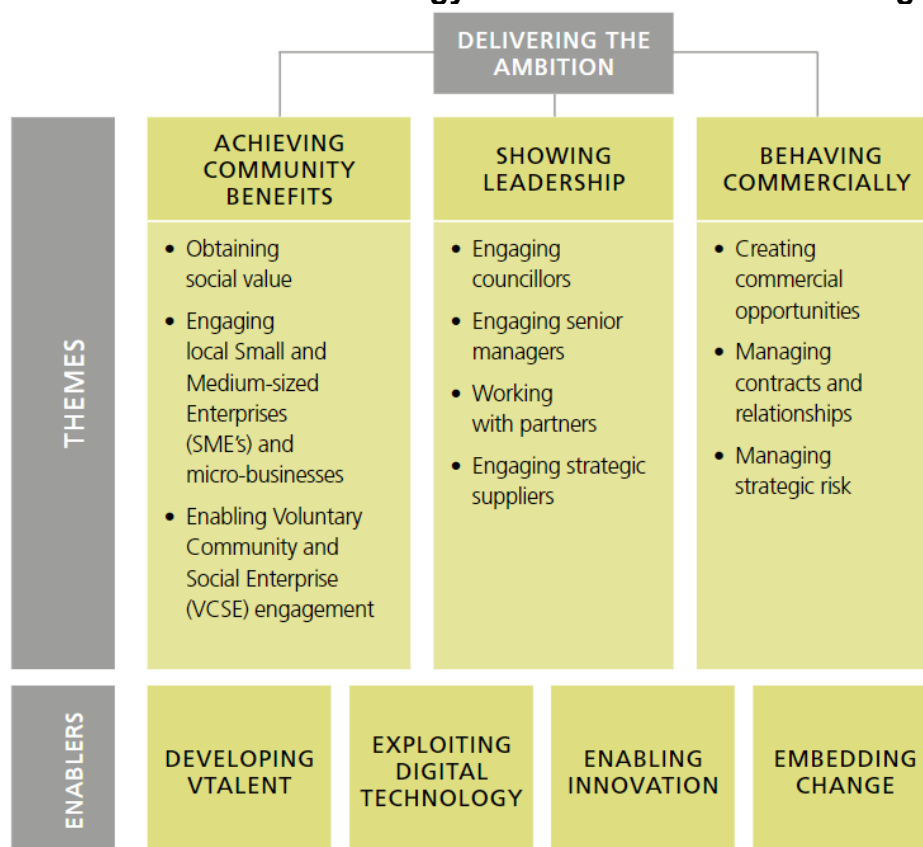
The Local Government Association (LGA) has published the National Procurement Strategy for Local Government in England. The strategy outlines three Priority Themes and four 'Enablers' for Local Government procurement in coming years.

The LGA national strategy highlights these themes and invites local authorities to develop their own approach linked to them. The strategy themes are illustrated below and are available via:

<https://www.local.gov.uk/publications/national-procurement-strategy-local-government-england-2022>

The Council's procurement strategy closely links these themes with local priorities, to form our overall procurement approach.

National Procurement Strategy for Local Government in England:



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¹ Source: National Procurement Strategy for Local Government in England

Procurement Strategy

Below are the key procurement themes. The Council's procurement strategy closely links these themes with local priorities, to form our overall procurement approach. The approach works in line with organisational objectives and the National Procurement Strategy, and will develop over time. These themes will be promoted across services through the procurement approach and performance will be monitored for continuous improvement





Support Strategic Objectives

Procurement is an enabler which supports the Council's objectives.

Our priorities include:

Procurement awareness

- Develop a better understanding with Members and managers including:
 - Working closer with the managers/budget holders to provide key information and oversight of the procurement work programme.
 - Awareness sessions with the Council's Strategy & Resources Committee and Governance Committee

Support future service design

- Early procurement involvement in service planning.
- Promote community and service user input to support effective service design.
- Consult service providers to build supply market skills into service design.
- Support Service Delivery model decision making and strategy into action.

Support daily activities

- Support daily operations across the Council's business.
- Promote procurement support for public sector partnerships.

Continuous learning

- Identify continuous learning opportunities and share knowledge widely.
- Undertake support and challenge role to support effective decisions.

Promote equality and diversity objectives

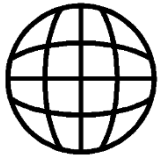
- Work with services to ensure equality and diversity considerations are central to the procurement approach, helping build a society where everybody can thrive

Key Message:

Attuned to organisational strategy with an enabling procurement environment.

- 01 Promote procurement as an enabler to support the organisation's strategic objectives and daily operations.

02 Lead the Council in a fair and proportionate procurement approach and enable monitoring through contract duration.



Global Climate Change

Our climate declaration

In July 2019 North Devon Council declared a 'Climate Emergency'. This was in recognition of the science and evidence of the impacts that climate change is having on our environment, population and communities and to acknowledge that we are committed to assisting in the response to this threat. This declaration committed North Devon Council to reach net zero carbon by 2030. Details on the Council's plans and actions in this regard can be found here:

<https://www.northdevon.gov.uk/climate-change>

This includes working with service providers to reduce our carbon footprint in line with developing commitments. It will include measurement and reduction of carbon emissions towards North Devon's Net Zero ambition. It will carefully consider specifications and standards and a total lifecycle approach to consider long term impact.

Procurement activity will underpin the Council's climate emergency activities by supporting carbon emission data, renewable energy, waste management strategies and climate enhancement initiatives. We will work with services, communities, external partners and supply markets to show leadership, improve standards and enable investments which support environmental sustainability priorities and play our part in tackling the global climate emergency.

We will promote local service delivery, reduce road miles, help de-carbonise the supply chain and support opportunities for local supply our procurement approach.

Key Message:

Our procurement approach will underpin the Council's Climate Change Action Plan

- 01 We will proactively support procurement for climate emergency activity.
- 02 Work with services across the Authority to reduce the carbon footprint including supply chain carbon reductions.



Prioritise Local Economic Development & SMEs

One of the Council's Corporate priorities is Pride of Place and Prosperity which emphasises local economic wellbeing. This Procurement Strategy aims to prioritise opportunities for local suppliers, (Small and Medium- sized Enterprises (SMEs) and Voluntary Community and Social Enterprise (VCSE) when planning the procurement approach and that applying to do business with the Council is as streamlined as possible.

We recognise that engaging local SMEs and VCSEs is a powerful means to support the local economy. Spending locally brings a multiplier effect through which local service providers can upscale, create and sustain local jobs, invest in personnel, generate local economic growth, social stability, be agile and support innovation.

Service providers working within their localities bring an unrivalled appreciation of local considerations. Their contribution is tireless, and they are able to direct their operations in line with fast changing local priorities. We are mutually reliant on their success.

We recognise VCSEs can play a critical role in the social housing sector in particular and far beyond and look to build suitable opportunities into our approach when planning procurements.

The Council's approach includes:

- Applying an SME / VCSE engagement strategy for specific contracts, designing services at an appropriate scale to support engagement and local 'Meet the Buyer' events.
- Approaching the competitive process, in a practical way, with procedures and templates proportionate to each procurement – with early market engagement, appropriate routes to market, small Lots.
- Promoting the 'Multiplier effect', whereby £1 spent locally is multiplied many times over through the local economy. As organisations gain turnover, they can upscale and invest, gain resilience and support sustainable services and communities.

- SME / VCSE use of e-procurement systems including a common system across southwest procurers.
- Using Dynamic Purchasing Systems to support SME engagement.
- Utilising VCSE sector for insights into local community requirements and support service design, with community engagement in service development.
- Building Social Value when planning all our procurements: consider breaking down opportunities into smaller lots, ensuring SMEs and VCSEs have good opportunity to bid.
- Ensuring fair payment and other positive practices flow through the supply chain.
- Improve the monitoring of spend with local SMEs/VCSEs.
- Considering how 'Tail spend' is managed and ensure it is not just the high profile spend areas which attract due attention.
- Recognise how local supply chains contribute to the Local Economic Multiplier effect.

Key message

Local supply is key for sustainable services and economic wellbeing. We will promote opportunities for local community and partnership engagement.

- 01 Ensure wherever possible we create opportunities for small to medium-sized enterprises and the voluntary/ community sector.
- 02 Promote and prioritise local economic development across our procurement engagement and delivery.
- 03 Ensure we are easy to do business with and always take a proportionate approach.



Social Value

“Social Value drives everything”

Unlocking social value promotes the improvement of economic, social, and environmental wellbeing, and our work must prioritise the things that bring value. Our approach includes:

- Creating opportunities in line with the Social Value Act 2012.
- Implementing a social value matrix to maximise Social Value opportunities when planning procurement activity.
- Ensuring social value considerations are proportionate with the size, scope and nature of procurement activity.
- Working in line with good practice approaches such as the national social value framework.
- Ensuring Social Value is considered upfront in all procurement approaches as appropriate (e.g. quality criteria, specifications, design of route to market and contract evolution through its lifecycle).
- Social Value Championing ensuring wide engagement.
- Supporting local social value creation events.
- Promoting Social Value across all our collaborative procurement forums and collaborating in developing a shared social value framework with other local / regional authorities.

Key message

Social value drives everything.

- 01 Our approach will prioritise the overall value ahead of the cost.
- 02 We will ensure Social Value considerations are built centrally into the planning of all procurement activity.



Digital Transformation

The Council's strategic procurement system is closely aligned with the digital agenda, working across all our markets to seek opportunities through digital, access innovation and to facilitate change.

Procurement is a facilitator of change. It links the Council's digital to identify opportunities for digital change and harness opportunities from specialist and innovative service providers.

We will support digital transformation and modernisation opportunities across the Council, partners, stakeholders and service users to improve quality outcomes, promote wellbeing and efficiency. We will improve citizen experiences, support fitness for the future and transformational change.

Digital opportunities through the procurement approach include:

- Supporting service re-design
- Enabling agile working and flexibility
- Increasing efficiency through use of better devices, hardware and software systems
- Cloud commissioning / remote hosting approach
- Supporting better IT infrastructure
- Innovating
- Working to modern e-Government standards including Cyber Security and Information Governance.

Key message

We will support digital transformation throughout services, reduce waste, automate, digitalise, innovate, transform, simplify, streamline.

Ensuring the local community and efficiency is at the heart of what we do.

- 01 We will seek opportunities for digital transformation across all service areas to improve all areas of our overall public service.



Contract Management and Performance Regime

Contract management is vital to service performance. It supports overall service quality, value for money, promotes continual innovation, agility and flexibility, supports early intervention and encourages collaborative service development.

This requires clear objectives and measurement of what's important to people.

We take a proportionate approach to contract management ensuring considerations of strategic, political and citizen importance are within the performance regime.

Contract management focuses service delivery on quality performance, making efficiencies and achieving cost reductions, increasing social value opportunities, decreasing environmental footprint, mitigating risks, increasing resilience and harnessing continuous innovation and change.

Our priorities for contract management include:

- 01 Working closely in partnership with strategic suppliers
- 02 Engaging in collaborative framework management and focus sessions via Devon Procurement Services
- 03 Promoting supply chain opportunities through 'Meet the Buyer' events.
- 04 Performance monitoring of suppliers and supply chain. Measures include financial resilience, service quality and continuity, supply chain unlock partner opportunities, monitor prompt payment, modern slavery, carbon footprint and road miles, market dominance, early problem resolution. Ensuring all parties are held mutually to account.
- 05 Sharing supply side intelligence with partners to support joined up public service.
- 06 Enabling governance and control over provider performance through good measurement and reporting. Ongoing performance reviews and meetings
- 07 Promoting visibility of potential risks and ability to mitigate these to avoid underperformance / disaster with early intervention (e.g. inclusion of "Termination on Insolvency", "Change Control", and "Service Level" clauses)
- 08 Understanding market development opportunities, innovation and value creation; ensure contract agility and continual development
- 09 Post contract review meetings and lessons learned sessions including exit strategy
- 10 Maintaining contracts register including risk and opportunities register.

Key Message

We need to measure what's important to people.

- 01 Support services to develop contractual arrangements that facilitate effective contractual relations.
- 02 Maximise the benefits realised through purchaser to provider relationship management.



Value for Money and Benefits Realisation

Our services prioritise value for money and our supply competitions include specific criteria which identify the critical success factors for each opportunity. We optimise the performance of our contracts and prioritise value for the people of North Devon. We promote service quality and lifecycle value with performance, sustainability and longevity in mind.

Procurement activity requires the highest standards of probity, transparency and fair competition. This includes adherence to the Council's Member's Code of Conduct, Employees' Code of Conduct, the Contract Procedure Rules in the Constitution and strategic procurement good practice and operating procedures.

Further details can be found in the procurement documents we publish for each competitive process and the wider considerations outlined in this strategy.



Commercialisation and Working Efficiently

As government funding changes, we increasingly bring sustainable models which promote service outcomes in the best possible way. This includes the following approaches:

- Developing ideas for further cost reductions and revenue generation opportunities
- Maximising commercial attractiveness by aggregating requirements if appropriate.
- Bringing innovative ideas for service delivery (e.g. creation of trading services).
- Utilising frameworks and dynamic purchasing systems for operational efficiency.
- Engaging and researching the market for up-to-date intelligence
- Developing procurement strategy and documentation for each competition to ensure opportunities are attractive for the market and include innovation and value creation.

Key Message

Value is at the centre of everything we do.

- 01 We will focus on value for money and reduce costs where possible
- 02 By utilising Devon Procurement Services the Council benefits from a wider skills base and the potential for greater spending power.



Risk Appetite and Risk Management

Being responsible for sometimes complex services for which innovation and transformation comes as standard, requires risk appetite to pursue our objectives. This demands balance between the benefits of innovation and the risks this can carry.

Risk management is important to our activities. And is part of good governance. Risks are identified and made transparent, with mitigations considered and implemented within the contract management approach. This also requires that risks are appropriately apportioned through our contracts and sit with whichever risk owners are best placed to manage them.

This ensures service providers do not take on inappropriate risk and then build risk allocations into their proposals; we can then provide better assurance and reduce costs in the system.

Our approach includes the following:

- Procurement and Services collaboratively designing contract specifications to include risk identification and mitigation – for example supplier resilience and business continuity.
- Identifying risk ownership and mitigation assurance
- Reporting and monitoring of suppliers' input and responsibilities
- Developing and applying suitable terms and conditions for contracts
- An appetite for innovation
- External environment monitoring and identifying risk implication and mitigation in relation to strategic contracts (e.g. Brexit, financial resilience, monitoring service outcome deliverables)

Key Message

We need to be brave enough. We will maintain a responsible approach to risk appraisal and oversight.

- 01 Procurement will support risk appraisal areas and help identify appropriate ownership and mitigation of risk amongst stakeholders.
- 02 We will create an environment of opportunity and promote innovation.



Working with Partners

We believe partnership should be a principle of how public service is organised. Our procurement philosophy is a “one team” approach working with networks to ensure resources are applied efficiently, needs are understood, knowledge is shared, and innovative solutions are implemented.

We prioritise early stakeholder involvement and recognise the value in service co-design, consultation, and working together. We promote early engagement, collaboration, collective intellect and partnership, and recognise that competition can in some cases risk driving out co-operation in service design.

We engage either directly or through Devon Procurement Services with other local public bodies (examples being the Devon and Cornwall Procurement Partnership, other District Councils, Clinical Commissioning Groups, the National Health Service, the Police service, Fire service, education sector partnerships, SW Procurement Board, and other regional authorities) to uncover benefits which can be derived through collaboration. We also look to community groups, service providers and reference groups to build in intelligence and local service knowledge into the planned approach.

We see advantages of a collaborative approach being:

- The avoidance of duplication of effort/resources and working in silos/ the fostering of cooperation across internal departments and with external partners.
- Joint planning and budgeting processes
- Strong cross-organisational governance structures
- A cross functional project management approach and shared support/resources.
- Greater economies of scale and cost savings

Key Message

We promote collaborations and partnerships which are greater than the sum of the parts.

- 01 We will look to the big picture in supporting relationships, and consider whether competition or collaboration is the best approach.



Workforce Skills Development

We rely on the skills of our people and all those we work with to run our activities with professionalism, diligence, knowledge, open mindedness, and leadership. We are committed to continual professional development. Through collaboration we have access to procurement professionals who bring unique skillsets, expertise, technical knowledge and offer peer challenge and support.

We aim for high quality procurement support at all times. This requires continuous development of skills, and competencies, diversity, broad exposure to experience and learning, and cross functional working with services and market areas for knowledge development. This brings exposure to diverse experiences, formal professional development and links to industry forums, partnerships and learning events.

We invest in skills development to evolve our service, improve resilience and link back to our purpose of supporting North Devon's communities by providing high quality public service.

We value and embrace diversity at the heart of what we do.

This includes:

- Linking with HR strategy to encourage workforce development and diverse experiences.
- Identifying leadership / career development opportunities.
- Promoting a management and mentoring approach.
- Cross-matrix working.
- Utilising the apprenticeship programme and opportunities for wider staff development.

Key Message

We invest in our team for continual learning, embrace autonomy and shared purpose.

- 01 The Council benefits from an experienced and professional procurement team in Devon Procurement Services
- 02 The Council's Legal Team, and other staff involved in procurement, will be trained and developed to work alongside Devon Procurement Services.



Ease of Doing Business

Procurement can sometimes feel complex due to many competing priorities. We work hard to stay structured, methodical and easy to do business with. We take a proportionate approach and work transparently.

Working with Devon Procurement Services and the SW Regional Procurement Board we support the uptake of e-tendering. This ensures our suppliers have a common system to embrace opportunities from SW public bodies, as a joined up supply side experience which promotes ease of doing business.



Client of Choice

Service providers have choices around which clients to prioritise, and to secure the best outcomes for the people of North Devon our approach must enable us to be client of choice.

This includes being practical and consistent in our approach, transparent and diligent and communicating well. This requires early planning, market communications, risk allocation, meeting our commitments and holding to our principles.

We plan procurements to accommodate SMEs and VCSEs, use small Lots as appropriate and build contracts of sensible scale. Supporting measures include prompt payment, avoiding onerous contract terms, meeting our timescales, good implementation planning and quality relationship management.



Transparency

North Devon Council works transparently. We ensure our operations are well structured, logical and predictable, and that our procurement procedures are transparent, practical and easy to engage with.

The Council publishes details of all spending over £250 via this link:

<https://www.northdevon.gov.uk/council/data-protection-and-freedom-of-information/publication-scheme/what-we-spend-and-how-we-spend>

The Council also maintains an up to date Contract Register of all contracts it holds with a value over £5,000, in line with the Transparency Code 2015 at the following link (within this page select “Contract Register” and then select “North Devon District Council” from the drop down list of Organisations and then click “Update”):

www.supplyingthesouthwest.org.uk

Opportunities to work with us can also be found at the above link.

Key Message

We will be a client of choice. In meeting our obligations, we prioritise purpose over process.

01 Openness, transparency, fairness, sustainability, resilience, equality and democracy.



Utilise the Legal Framework to Best Effect

We apply the legal framework in an enabling manner which allows us to work fairly, transparently and consistently. Considerations include:

- Common appreciation of legal considerations Council wide including highly integrated working with the Legal team.
- Staying continuously up to date with the developing public sector legal framework.
- Embed service, supply or works specific legislation as required as projects are developed.
- Modern Slavery measures and compliance checks – collaboration with the Policy team
- Innovation and consistent approach
- Information governance and data protection measures and compliance checks
- Assisting internal stakeholders and external partners in procurement compliance
- Ensuring ethical trading standards are supported by the supply chain
- Working with the Council's Equality and Diversity Policy
- Considering opportunities available through legislative change.
- Counter fraud measures and awareness of procurement fraud risk.



United Against Modern Slavery

We are united against Modern Slavery.

As part of the SW Procurement Board we have a joint approach in which all its members stand united in our commitment to positively contribute to both influencing and supporting the National Procurement agenda across the public sector. We aim to do this by providing a strategic voice with links into national policy, best practice and emerging changes to commissioning, procurement and supplier relationship management.

We can all make a difference.

Key Message

We apply the legal framework in an enabling manner and maximise opportunities from legislative change.

We are united against all aspects of Modern Slavery and will take a unified approach with regional partners.

- 01 We will apply the legal framework to ensure our operations are consistent, practical, innovative and legally compliant.
- 02 Ensure our procurement practises are compliant with all relevant legislation and reflect the latest best practises resulting from case law.
- 03 Work across the Council and the SW Procurement Board to raise the profile and bring attention to Modern Slavery.
- 04 Undertake supplier assessments and focus reviews to uncover and eliminate slavery from our supply chains and all areas of activity.