

Procurement Strategy and Contract Procedure Rules



Derby City Council

Procurement Strategy and Contract Procedure Rules

Introduction:

‘Procurement’ is the buying of goods, services and works that enable an organisation to operate in an economically sustainable and ethical manner.

The Council must conduct its procurements in accordance with a statutory framework laid down by the European Union (EU) and implemented into UK Legislation.

The Council’s Procurement Service has responsibility for ensuring that:

- (i) the Council complies with that statutory framework; and
- (ii) through effective procurement, the Council maximises value for money when contracting for goods, services and works.

The purpose of the EU procurement rules and the implementing UK legislation (the Public Contract Regulations 2015 (PCR 2015)) is to open up public procurement to EU-wide competition. They therefore establish a legal framework governing the procedures and principles for the award of public contracts, which fall within the scope of the rules and exceed specified financial values. This legal framework is intended to ensure that contracts are awarded fairly, transparently and without discrimination on the grounds of nationality and that all potential bidders are treated equally; these overarching principles apply to all public procurements irrespective of value.

Derby City Council Procurement Strategy:

We will deliver legally compliant procurements, which maximise value for money for the Council by:



facilitating a competitive environment for the Council’s suppliers;



being effective category managers; and



embedding the three themes of the National Procurement Strategy for Local Government in England 2018:

- showing leadership;
- behaving commercially;
- achieving community benefits.

Taking each element of the Procurement Strategy in turn:



Facilitating a competitive environment for the Council's suppliers:

The Procurement Service is responsible for ensuring compliance by the Council with PCR 2015 and the Council's Contract Procedure Rules. In ensuring such compliance the Procurement Service looks to maximise value for money for the Council by facilitating a competitive environment for the Council's suppliers.

The Procurement Service works with Contract Managers and Commissioners to identify the best procurement solutions for our contracts.

Tender processes are managed or overseen by the Procurement Service through the provision of compliant document templates and by providing access to our electronic tendering portal: <https://www.eastmidstenders.org>.

The Procurement Service monitors contract spend and reports quarterly to Directorate Management Teams (DMTs). This report also covers live waivers, contracts awarded, contracts requiring renewal and procurement processes in progress. This engagement is designed to result in better planning of processes and, consequently, better results.



Being effective category managers:

The Procurement Service aims to use the principles of Category Management to develop an approach to the market which delivers optimum value for money for the Council and, where possible, generate financial savings on the tendering and re-procurement of contracts.

Effective category management includes:

- Collaboration with other public bodies;
- Use of framework agreements; and
- Aggregation of Council demand.

We aim to achieve community benefits by integrating social value into procurement and commissioning.

We aim to assist effective management of contracts and variations to control costs, secure the quality and timeliness of agreed outcomes and performance levels, and minimise the occurrence of risks by identifying a cost effective training route and rolling this out to all contract managers.



Embedding the three themes of the National Procurement Strategy for Local Government in England 2018

We are focused on embedding the principles of the National Procurement Strategy for Local Government 2018 and those principles are incorporated within the Council's Contract Procedure Rules and procurement processes.

The National Procurement Strategy for Local Government in England 2018 focuses on three themes:

- showing leadership – working with all of our stakeholders to ensure a ‘one team’ approach to the design and implementation of solutions for public services.
- behaving commercially – promoting revenue generation and value creation by engaging with the market and potential suppliers to encourage innovation.
- achieving community benefits – by improving economic, social and environmental wellbeing from our contracts over and above the delivery of the services directly required at no extra cost.

These themes are further broken down into a number of key areas including:

- engaging strategic suppliers
- managing strategic risk
- promoting competition in the marketplace including more opportunities for SMEs and VCSEs
- contract and relationship management.

In addition to the themes, the strategy also identifies four ‘enablers’:

- developing talent
- exploiting digital technology
- enabling innovation
- embedding change.

A toolkit, which accompanies the strategy, breaks down five levels of achievement allowing us to set a baseline and assess our progress.

Derby City Council Contract Procedure Rules

Contract Procedure Rules (CPR) set out the rules that should be applied when buying or ordering goods, services or works.

It is important that our processes are fair and transparent and these rules provide the guidance required to ensure that we meet this obligation.

They explain when these rules apply and give details of where there are exemptions and the rules do not apply.

Competition requirements are aligned to the value of the contract and these thresholds and processes are explained within this document together with the roles and responsibilities of council officers.