



Mansfield District Council **Procurement Strategy**

2019 - 2023



Mansfield
District Council

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Foreword

Executive Mayor Andy Abrahams

This revised procurement strategy puts community wealth and local benefit at the heart of the council's tendering process.

Whilst cost and value are important factors, we cannot underestimate the economic benefits of making the very most of local skills and services.

As one of the largest contractors and employers in the area, Mansfield District Council seeks to ensure that there is opportunity for local businesses in the procurement of products and services.



"I'm pleased that the council is developing policies that support the wider social and environmental agendas and to encourage growth and economic prosperity in Mansfield."

Introduction

This strategy sets out how Mansfield District Council will procure goods and services efficiently. The strategy supports the economic agenda around local wealth creation along with wider priorities such as equality, asset management, carbon reduction and sustainable environmental initiatives.

The objective of this strategy is to help Mansfield District Council commission and procure goods, services and works in a way that supports local wealth creation, reduces our carbon footprint and helps protect our environment.

Procurement is the process of acquiring goods, services and works, to achieve the optimum combination of costs, benefit and management risk, to meet the objectives of the council.

Procurement covers the whole life cycle of goods and services, comprising three phases:

a) Commissioning

Identifying needs and deciding what is to be bought and when (procurement planning).

b) Awarding a contract

Awarding a contract to the supplier that offers best value and contract fit. Terms and conditions will also be determined at this stage.

c) Managing the contract

The process of managing the contract from contract creation to completion. This process will monitor and analyse performance and seek to minimise risk.



Aims

The aim of this strategy is to set out a clear framework for procurement throughout the authority, which is consistent with Mansfield District Council's Corporate Plan, Consultation and Financial Procedure Rules.

This document sets out the council's high level, strategic plans for how procurement will be organised and managed. It promotes effective, consistent and robust procurement across the whole of the authority and also aims to encourage wider collaboration with the Mansfield economy to support local supply chains and inter-trading wherever possible.

The council needs to remain flexible to meeting the challenging financial pressures put upon the public sector.

A key focus is to help drive competition and innovation across Mansfield, among a range of suppliers. In particular, supporting access to contract opportunities for small and medium sized enterprises, voluntary and community organisations and social enterprises.



The council's expenditure from April 2018 to January 2019 totalled £20million with 64% of this expenditure (£13m) attributed to buildings and construction. There is an opportunity to add social value in this sector by extending the use of local suppliers and addressing wider economic and social agendas including climate change.

The authority is keen to retain the Mansfield pound with local firms.

Council's vision

Making Mansfield: Towards 2030 is the council's strategy for transforming the district.

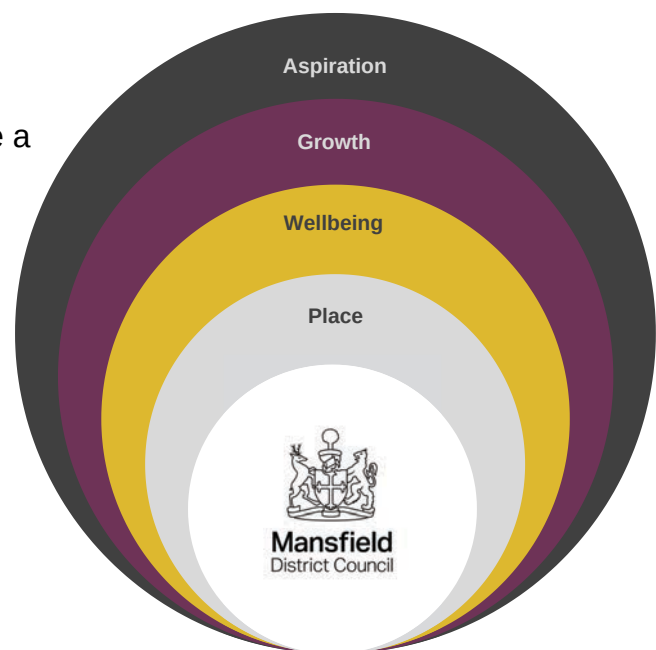
The vision for the district is "to grow an ambitious, vibrant and confident place".



To ensure delivery of the vision, we will focus on the four cross cutting themes; Aspiration, Growth, Wellbeing and Place.

Through our place agenda we aim to create a place to be proud of, a place of choice, to create a positive image of the district, improve the natural and physical environment, improve the town centre experience and enhance the quality of life for those who live here.

Through the wellbeing ambition we aim to create a flourishing place where people are happy and healthy. This includes an environment where people lead safe and healthy lifestyles and choose healthy choices.



Our priority for growth is to create a thriving place for investment and opportunity including developing infrastructure to embrace technological advances, create employment opportunities, develop a mix of housing that meets the needs and aspirations of those living here and to sustain local business and encourage investment.

Procurement priorities

Mansfield District Council will be compliant, deliver value for money and efficiencies through this procurement strategy.

Efficiency

We will use spending power wisely and strategically.

Local economy

We will focus on providing the maximum benefit for Mansfield district as a result of local council and partner institutions spend.

Community wealth

Social value

Good practice and legislation encourages councils to consider wider social, economic and environmental impacts and outcomes from procurement decisions. It also stresses the need to include the public, customers and people who are the end users of services in their design, selection and delivery, where appropriate. The council will not only consider value for money and cost, it will also consider economic social and environmental factors at all stages of the procurement cycle. This will be achieved whilst also remaining open, fair and transparent.



Mansfield District Council is committed to developing a leadership role in the development of local procurement.

We aim to collaborate with key organisations to maximise the economic benefit and improve social wealth when contracting locally.



We are able to consider these social and environmental outcomes as set out in The National Procurement Strategy for Local Government 2014 and The Public Services (Social Value) Act 2012 The EU Public Contracts Directive 2014 and UK Public Contracts Regulations 2015 provide the legal framework; obliging us to operate in a fair, open and transparent way whilst offering opportunities for flexibility and innovation.

The council's financial regulations are relevant when considering the Procurement Strategy and compliance with policies and procedures. This document is underpinned by appropriate guidance and toolkits which suggest how to deliver against the Procurement Strategy, both at the Invitation to Tender stage as well as the assessment stage of tenders. The council's Medium Term Financial Strategy is also a key supporting document to this strategy that looks for a sustainable approach to the use of resources.

Procurement objectives

Economic

Supporting the local economy

Increase spend and grow the local economy.
Create employment and training opportunities locally.

Social

Mansfield at the heart of our activities

Deliver safe, quality and innovative services that meet the needs of our customers.
Deliver social and community benefits.
Tackle deprivation and promoting social inclusion in our growth plans.
Support for Small Medium Enterprises (SME), Voluntary and Community Organisations (VCO) and Social Enterprises (SE).

Environmental

Sustainable and responsible

Minimise the environmental impact of goods, services and works procured

- Improve air quality
- Resource efficiently, waste reduction and recycling
- Biodiversity, nature conservation and greening



Photo: David Dallman



These objectives will be achieved by implementing the following actions and metrics

Economic

Actions	Measures of success
Encourage suppliers to recruit locally and provide employment and training opportunities for local people.	Percentage of spend within the local economy (of total contracts awarded).
Understand our economic landscape and supplier capacity when tendering.	Employment and training opportunities secured through contracts awarded.
Communicating the procurement strategy to local businesses and encouraging them to supply services to us.	Contracts awarded to SMEs.
Breaking down large value contracts into smaller lots where possible to provide opportunities for small suppliers.	
Ensuring the procurement process is accessible and doesn't present barriers to participation; using accessible portals to advertise opportunities.	

Social

Actions	Measures of success
Encourage suppliers to commit to social principles, including adopting ethical employment practices.	Contracts awarded to organisations with social objectives. (VCO, charities and SEs)
Encourage social enterprises to get involved in commissioning an procurement in Mansfield.	Contracts awarded with local training and employment outcomes.
Deliver social benefits for local communities; supporting SMEs, SEs and VCOs well placed to do this.	
Encourage employment and training opportunities in disadvantaged communities.	
Ensure procured services are accessible and appropriate to meet the diverse needs of our community.	

Maintain compliance with the Equality Act 2010 and that Equality Impact Assessments are undertaken at the appropriate stage of all projects.

Implement robust contract management processes to drive up standards and ensure quality, safe services.

Contracts awarded to organisations with social objectives.
(VCO, charities and SEs)

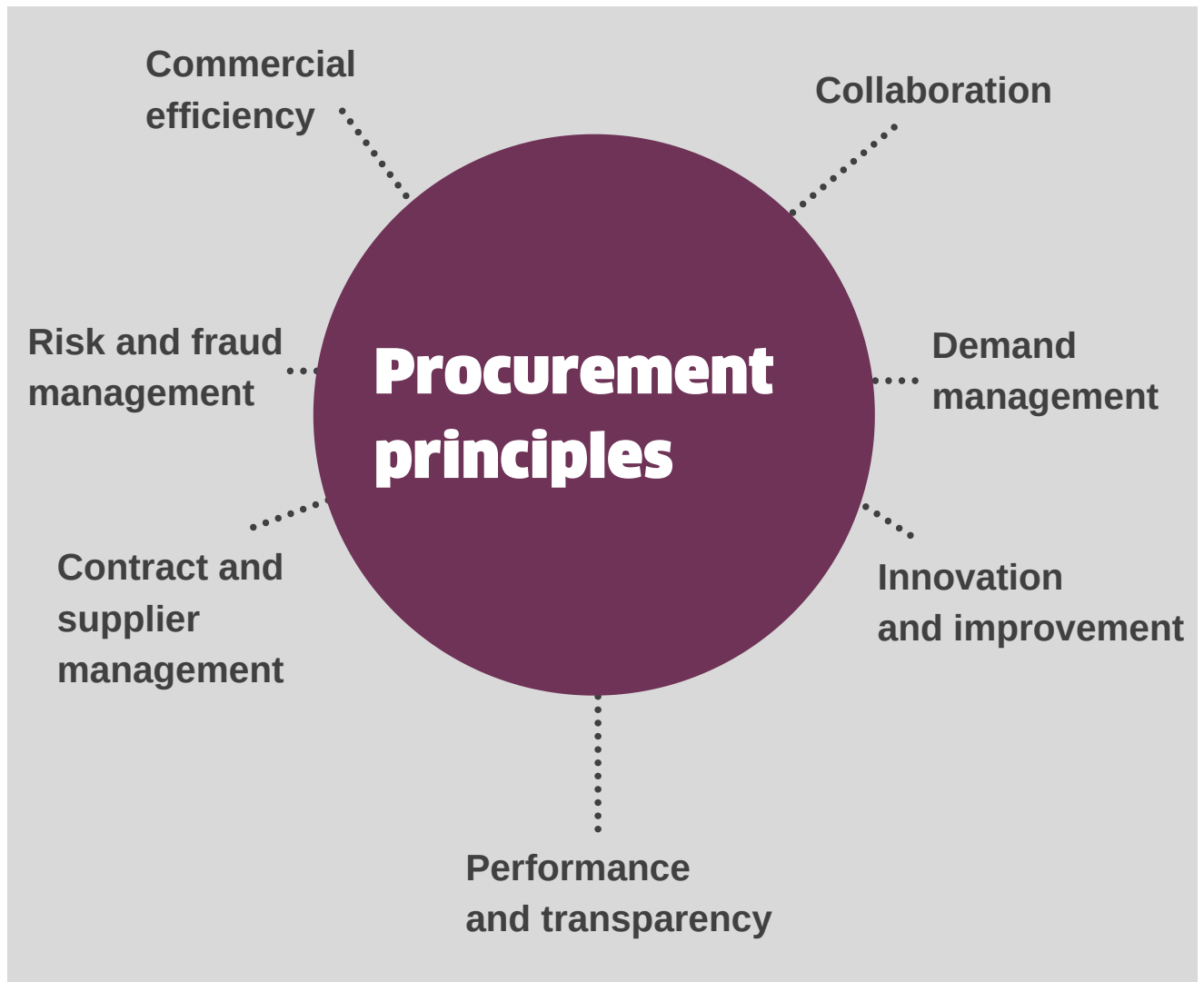
Contracts awarded with local training and employment outcomes.

Environment

Actions	Measures of success
<p>Collaborate with partners to share good practice and maximize opportunities from the same suppliers.</p> <p>Consider environmental sustainability in the early stages of each project; identifying goods, works and services with significant impact.</p> <p>Including appropriate standards, requirements and targets in contracts.</p> <p>Considering environmental factors where appropriate in supplier selection and tender evaluation.</p> <p>Taking a whole lifecycle approach to costs – including considering external costs and environmental impacts, where these can be quantified.</p> <p>Wherever possible, opt for the least environmentally damaging option when choosing between comparable products.</p>	<p>Percentage of spend within the local economy (of total contracts awarded).</p> <p>Employment and training opportunities secured through contracts awarded.</p> <p>Contracts awarded to SMEs.</p>

Principles

Our procurement activity will be underpinned by a set of principles:



Actions

Category management

Maximise value from common areas of spend.

Understanding the supply market through appropriate spend and supplier analysis.

Recognise the benefits of category analysis approach.

Review appropriate frameworks at an early stage to reduce duplication.

Partnering and collaboration

Efficiencies through collaboration or shared services to reduce cost.

Explore options relating to shared services.

Explore opportunities to procure through existing routes.

Contract and supplier management

Develop a common approach to contract management.

Gain maximum value and effectiveness.

Build goods/supplier relationships.

Incorporate KPIs into contracts.

Measure outputs.

Ensure competitiveness.

Insist on fair contract principles.

Performance and transparency

Enhancing performance and reducing costs through performance monitoring
Data transparency with contract data.

Publication of transparent data.

Benchmark spend and outcomes.

Risk and fraud management

Risk and fraud through corporate processes.

Identify risk and implications of poor procurement.

Audit contracts for fraud.

Include whistleblowing policies in contract conditions.

Demand management

Reducing oversupply throughout the procurement cycle.

Building demand management at preprocurement stage.

Consider alternative ways to meet demand at an early stage.

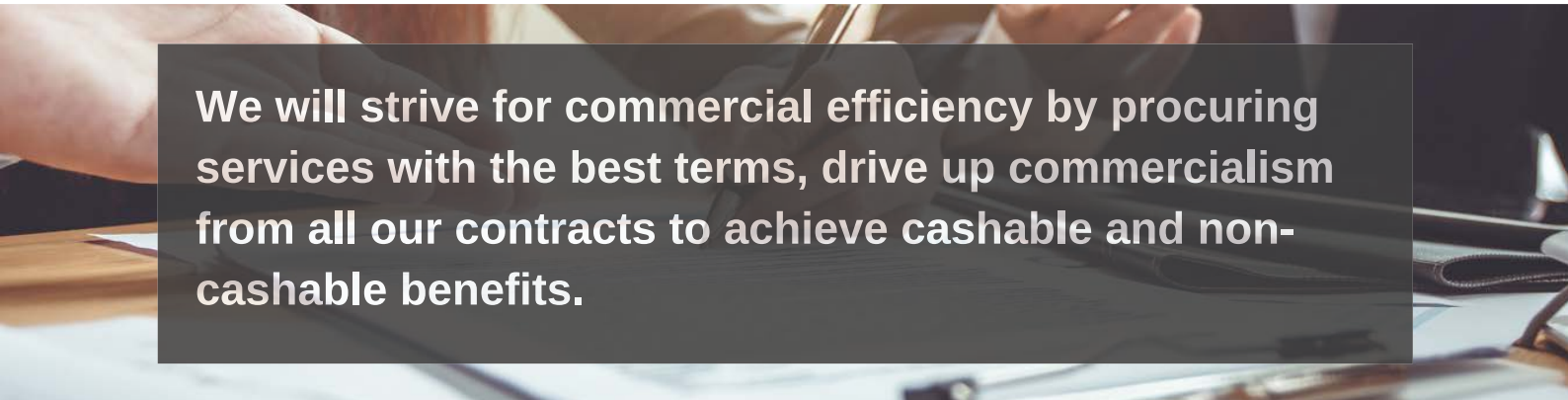
Commercial efficiency

Procurement is central to meeting the significant financial challenges faced by the council. The delivery of the council's strategic priorities depends on the efficient and strategic use of spending power - enabling reducing budgets to go further.

We will strive for commercial efficiency by procuring services with the best terms, drive up commercialism from all our contracts to achieve cashable and non-cashable benefits.

This will be achieved through:

- Maximising the opportunities for collaboration, to benefit from economies of scale, using resources efficiently and realising savings.
- Supporting funding bids to bring new funds to Mansfield district, particularly in collaboration with local and regional partners.
- Developing commercial procurement skills and expertise needed to maximise commercial benefit.
- Applying a category management approach (economies of scale) to identify savings, maximise value and pursue new commercial opportunities.
- Including financial modelling and options appraisal in appropriate procurement exercises to ensure alignment to strategic and financial priorities.
- Awarding contracts on the basis of the 'Most Economically Advantageous Tender (MEAT); appropriately balancing quality, cost and social value.
- Adopting a commercial approach to major projects; including business case and procurement approach and exploring innovative funding mechanisms.
- Supporting a commercial approach to 'Make or Buy' considerations; assessing the relative costs and benefits of external delivery or insourcing.
- For all contracts procured, exploring the potential to generate income.



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Partnerships and collaboration

Joint planning across council services and other organisations will help to inform a joint procurement approach and offer greater scope for wider success.

We shall collaborate with partners and offer opportunities to secure better value from resources. This will be encouraged through partnerships working with key organisations.

We will promote partnership working by:

- Being proactive about developing strategic, collaborative and commercial relationships with a range of partners including public and private sector as well as Voluntary and Community Organisations (VCOs).
- Ensuring early engagement with partner agencies to develop joint plans and approaches and identify opportunities for collaboration and sharing resource.
- Working on joint procurement in appropriate areas with regional partners.
- Early engagement with communities and businesses, in delivering services and securing the best social, economic and environmental outcomes.
- Working with business support agencies to provide opportunities for local companies.



Ethical standards

Procurement practices ensure that ethical standards can be met, reduce the risk of social exploitation and reward good employment practices. The council's ethical procurement objectives are to ensure the wellbeing and protection of workforces throughout the supply chain, that people are treated with respect and their rights are protected. The council aims to minimise the risk of modern slavery and human trafficking in the supply chain by reviewing the market to identify areas of vulnerability and taking mitigating actions. This will include excluding suppliers with convictions to modern slavery, using robust contract clauses and monitoring supplier performance.

The council's ethical procurement objectives are to ensure the wellbeing and protection of workforces throughout the supply chain, that people are treated with respect and their rights are protected.

Organisations that want to work with the council are expected to:

- Work to the highest standards of business integrity and ethical conduct.
- Support staff development and welfare and provide a safe and hygienic working environment.
- Comply with national laws or industry standards on working hours and not use zero hour contracts that prevent the worker from carrying out other work.
- Pay wages and benefits at rates that meet national legal standards, aiming to move towards paying the living wage.
- Work in an inclusive way and actively promote equality and diversity.
- Not discriminate in respect of recruitment, compensation, access to training, promotion and termination of employment or retirement on any grounds.

Governance, fairness and transparency

The council will ensure that all procurement activity is conducted in a fair, open and transparent way in compliance with the legal and procedural requirements of EU and UK Procurement Regulation and the council's Contract Procedure Rules.

The council will maintain the highest standards of honesty, integrity, impartiality and objectivity and adhere to the council's Code of Conduct at all times.

We will:

- Ensure robust governance procedures for accountability and compliance are in place.
 - Review and refresh procedures to reflect current legislations and the council's own requirements.
 - Implement consistent, open, transparent, proportionate and accessible processes and systems to ensure a level playing field.
- Use a 'toolkit' of standard procedures, templates and processes to ensure best practice and consistency.
 - Maintain robust controls to combat fraud and corruption; keep a clear audit trail of procurement and contracts.
 - Improve the visibility of procurement responsibilities across the council; providing guidance to colleagues to support compliance in all purchasing activity and monitoring purchasing behaviours.
 - Comply with legal requirements for transparency, including publishing the contracts register and information on contract awards.



Innovation and improvements

To achieve the council's ambitions for Mansfield district in the long term, the council aims to deliver a modern procurement function and work in innovative ways to secure improved outcomes.

The council will continuously develop and improve its procurement processes, systems and functions in order to secure the best possible quality and outcomes from all contracts, whilst driving efficiencies and ensuring compliance with regulatory obligations.



To achieve the council's ambitions for Mansfield district in the long term, the council aims to deliver a modern procurement function and work in innovative ways to secure improved outcomes.

The council will do this by:

- Being flexible to make procurement quicker, simpler and cheaper.
- Encouraging innovation in the procurement process and look for outcomes to be identified in all supplier specifications.
- Use e-procurement technology where appropriate to increase the efficiency and speed of the process.
- Using contracts that protect the council's interest but also allow for reasonable changes throughout the life of the contract.
- Developing the competencies, skills and expertise of the procurement workforce to deliver an excellent, commercially focused service.
- Continually reviewing our processes and documentation to ensure they reflect best practice and are streamlined, proportionate, and flexible.
- Seeking feedback from stakeholders and customers in order to improve the procurement process.
- Developing information systems to provide a comprehensive and quality feedback on all our procurement activity.



As one of the largest contractors and employers in the area, Mansfield District Council seeks to ensure that there is opportunity for local businesses in the procurement of products and services.