

<b>CITY OF WOLVERHAMPTON COUNCIL</b>	<b>Cabinet</b> <b>22 March 2023</b>
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<b>Report title</b>	New Procurement Strategy	
<b>Decision designation</b>	AMBER	
<b>Cabinet member with lead responsibility</b>	Councillor Obaida Ahmed Resources and Digital City	
<b>Key decision</b>	Yes	
<b>In forward plan</b>	Yes	
<b>Wards affected</b>	All Wards	
<b>Accountable Director</b>	Claire Nye, Director of Finance	
<b>Originating service</b>	Procurement	
<b>Accountable employee</b>	John Thompson Tel Email	Head of Procurement 01902 554503 <a href="mailto:John.Thompson@wolverhampton.gov.uk">John.Thompson@wolverhampton.gov.uk</a>
<b>Report to be/has been considered by</b>	Strategic Executive Board	28 February 2023

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**Recommendation for decision:**

The Cabinet is recommended to:

1. Approve the Procurement Strategy as detailed at Appendix 1.
2. Delegate authority to the Cabinet Member for Resources and Digital City in consultation with the Director of Finance to annually refresh the Procurement Strategy and Procurement workplan in line with the annual refreshes of Our City: Our Plan. Any significant changes will be reported to Cabinet for approval.

## **1.0 Purpose**

- 1.1 This paper seeks approval of the Procurement Strategy and support for its implementation.

## **2.0 Background**

- 2.1 The current Procurement Strategy was approved in 2015. The strategy has been refreshed to reflect Council priorities, updated legislation and the key role Procurement will continue to play by enabling the Council to meet ongoing challenges. The strategy is integral to delivery of the Council's strategic aims.
- 2.2 The strategy will ensure we have robust framework for commissioning, procurement, performance, and contract management to support the Council in its ambitions.
- 2.3 Moving to an outcomes based approach means the strategy is designed to ensure the best use of resources and lead to innovation to deliver better local services for residents.
- 2.4 The strategy will be key to supporting delivery of the Wolverhampton Pound and ensure value for money by working with suppliers to support innovative contracts to service delivery with our outcomes based approach.
- 2.5 The strategy will also ensure that whole life costs and sustainability are considered which in turn delivers not only delivers value for money but also reduces impact on the environment. This can lead to better outcomes for society and the economy as a whole.
- 2.6 The Procurement Strategy supports the Council's commitment to ensuring that equalities are considered throughout the procurement process and that our policies and practices adhere to principles of fairness and inclusion.

## **3.0 Overview**

- 3.1 The strategy underpins the delivery of Our City: Our Plan and is aligned to deliver specific outcomes.
- 3.2 The strategy is built around six key priorities:
  - A. Sustainability
  - B. Social Value
  - C. Contract Lifecycle Management
  - D. Equalities
  - E. Value For Money
  - F. Cross-Sector Engagement
- 3.3 As well as this, the Procurement team will have core principles which are fundamental to the way the Procurement team will work and guide our behaviour, they are listed below:

- A. Quality
- B. Collaboration
- C. Proficiency
- D. Team

- 3.4 The new strategy also has a supplier code of conduct embedded into it. This ensures that suppliers understand the Council's expectations.
- 3.5 Underpinning the strategy will be an annual Procurement business plan which will set the key priorities for the team to achieve each year. Due to the Procurement business plan receiving an annual refresh the strategy will only need to be updated when key priorities for the Council change and as such no expiry date is attached to the strategy. Delegated authority is sought in this report to enable minor changes to be made in a timely fashion. Any significant updates will be reported to Cabinet for approval.

#### **4.0 Evaluation of alternative options**

- 4.1 The alternative option would be to do nothing, this would lead to Procurement not being aligned to the change in approach taken by the Council. This also means the Procurement Strategy would not reflect the current strategic aims of the Council.
- 4.2 The Procurement Strategy will be used to develop a Procurement business plan and support the future development of Procurement advice and structure.

#### **5.0 Reasons for decision**

- 5.1 Procurement is required to comply with relevant legislation and also identify ways to support the Council with its key priorities. Implementing this strategy supports the Council with compliance and delivering priorities by setting out the vision for Procurement to focus on areas such as the Wolverhampton Pound and equalities.

#### **6.0 Financial implications**

- 6.1 There are no direct financial implications arising from the Procurement Strategy. The financial implications of any recommendations from the Procurement Strategy will be detailed in future reports, alongside approval to implement the change.
- 6.2 The Procurement Strategy will be essential for delivery of value for money for the Council by ensuring the best use of resources. This will be achieved by maximising opportunities through procurement activity, ensuring our six key priorities are considered in everything we do.

[AS/07032023/T]

## **7.0 Legal implications**

7.1 The Council must comply with the Public Contract Regulations 2015 and the Best Value Duty under the Local Government Act 1999. The Procurement Strategy at Appendix 1 provides guidance on how the Council complies with its legal implications.

[SZ/08032023/P]

## **8.0 Equalities implications**

8.1 The Head of Procurement has worked with the equalities team to ensure implications relating to equalities are considered at both a strategic and tactical level when awarding contracts moving forward.

8.2 Implications are considered within the Procurement Strategy and also within the new supplier code of conduct.

## **9.0 All other implications**

9.1 There are no other implications arising from the recommendations of this report.

## **10.0 Schedule of background papers**

10.1 Meeting of the City Council 1 March 2023 - [Our City: Our Plan](#)

10.2 Cabinet 6 July 2022 - [City of Wolverhampton Select Committee 2022 - The Wolverhampton Pound - Procurement, Contract Management and Commissioning](#)

10.3 Meeting of the City Council 20 July 2022 - [Select Committee Report: The Wolverhampton Pound: Procurement, Contract Management and Commissioning](#)

10.4 Cabinet 20 January 2021 – [Wolverhampton Pound: Spend local for more jobs and opportunities](#)

## **11.0 Appendices**

11.1 Appendix 1: Procurement Strategy