



**Winchester**  
City Council

**Procurement & Contract Management Strategy**  
**2020 – 2025**

# 1. Introduction

This strategy sets out how the council will take steps to direct its external spend on goods, services and works to meet our priorities. Our focus will be on the work we need to do to achieve savings, meet our legal obligations and to deliver wider local economic, environmental and social benefit in communities.

Procurement is about making effective commercial choices in the process of acquiring works, goods and services. Contract management is the process of systematically and efficiently managing contract creation, execution and analysis for maximising operational and financial performance and minimising risk.

In this strategy, the terms procurement and contract management has the widest possible meaning, covering all aspects of securing services, products or works on a whole life basis and managing contracts once in place. This is from the identification of need through to the end of a service contract or the end of the useful life of an asset and its disposal.

Effective contract management is a necessary condition for successful end-to-end procurement and supplier performance. It is therefore critical that the procurement stage includes full consideration of how the contract will be managed and that performance management mechanisms proportionate to the size and risk of each contract are established and contract conditions determined.



The central Procurement Team (established September 2019) are responsible for driving change throughout the organisation and to embed a consistent, best practice approach to procurement and contract management.

The strategy sets out the principles and commitments by which we will conduct our procurement and contract management activity throughout the contract lifecycle. This will support the delivery of best value through planned and responsive procurement and contract management that contributes to achieving the council Plan and meets the needs of our customers and local businesses.

Best value is a statutory duty under s3(1) Local Government Act 1999 – to make arrangements to secure continuous improvement in the way in which its functions are exercised having regard to economy, efficiency and effectiveness. Under Best value authorities should consider overall value which includes economic, environmental and social provision.

The Council Plan priorities are:

- Tackling the climate emergency and creating a greener district
- Homes for all
- Vibrant local economy
- Living well
- Your services. Your voice

In June 2019 Winchester City Council declared a Climate Emergency and is committed to a carbon neutral Winchester City Council by 2024 and a carbon neutral District by 2030. Suppliers to the council and the supply chain have an impact on carbon usage and we will work with and challenge suppliers to minimise this impact.

The council's priorities are key factors in determining procurement approaches and specifications.

The Public Contracts Regulations 2015 (PCR2015) principles of Openness, Fairness, Transparency and Equity in public sector procurement are fundamental to how we operate and underpin this strategy.

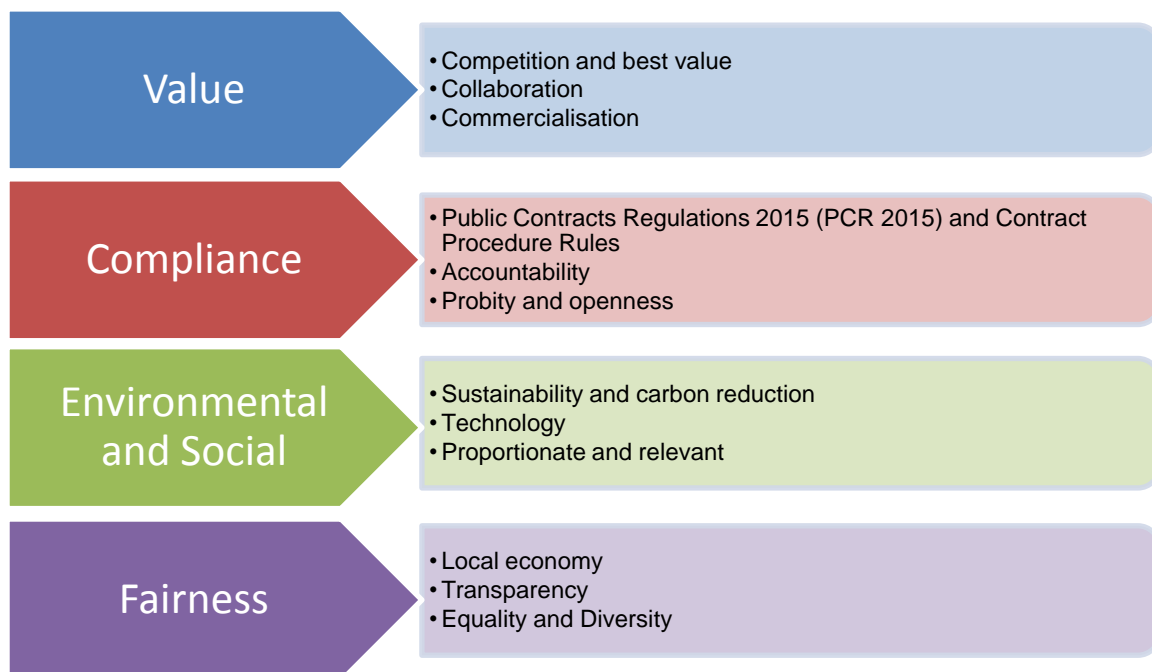
The accompanying Action Plan to this strategy will be reviewed and updated annually.

## 2. Our procurement & contract management principles

**Our Procurement & Contract Management Strategy aims to:**

- Understand our spend profile in order to identify savings
- Mitigate risk in terms of non-compliance
- Develop and embed consistent and effective end-to-end procurement and contract management that delivers value for money and contract compliance
- Operate within the legal framework
- Support the climate change emergency by requiring environmental and social factors to be considered in all procurements
- Encourage local and small businesses to bid for contract opportunities
- Ensure fairness and clarity in the sourcing of suppliers.

There are four guiding principles which form the key elements of our approach to procurement and contract management activity:



### **3. Our commitments**

In implementing the above principles into our procurement and contract management practice, we commit to:

#### **Value**

- Better understand our supply base and spend profile to help identify areas for smarter procurement
- Explore opportunities for collaborative procurement with partners and use frameworks where appropriate
- Adopt clear, consistent and streamlined processes and documentation to encourage competition and utilise e-procurement
- Use pre-market engagement to test assumptions with the supply market and to seek their ideas on achieving better outcomes from contracts including contributing towards reducing carbon usage in the District
- Adopt a risk based, proportionate approach to procurement and contract management and ensure that contracts are delivering value and innovation throughout their life cycle
- Identify our strategic suppliers and working in partnership approach to strive for continuous improvement in the contract lifecycle by adopting a collaborative approach

#### **Compliance**

- All procurements undertaken in accordance with PCR 2015, our Contract Procedure Notes and best practice
- Ensure our contract opportunities are widely advertised in accordance with the requirements of PCR 2015 and in line with the thresholds set by our own Contract Procedure Rules
- Maintain and publish a comprehensive and up-to-date Contracts Register
- Make appropriate resources available to meet our principles, including provision of guidance, awareness raising and training for employees and suppliers

#### **Environmental and Social**

- Promote delivery of social value (The Public Services (Social Value) Act2012)) through our supply chain to support the community. By Social Value we mean; delivering skills training, apprenticeship opportunities and graduate programmes, broader community support, improved environmental outcomes and generating benefits to the local economy

- In all procurements where the evaluation is based on most economically advantageous tender, a minimum of 10% to environmental and social value will be included in the evaluation criteria
- Encourage suppliers to actively contribute; by offering solutions to deliver Council requirements innovatively having a positive and measurable impact on the environment and the community
- Using pre-market engagement to consider the costs and benefits of environmentally preferable materials, systems or services

## **Fairness**

- Work with local businesses and partners such as the Federation of Small Businesses (FSB) to improve their and their members' understanding of the council's procurement process and how they can access opportunities
- Provide tendering opportunities that are suitable for Small and Medium Enterprises (SMEs) and the Voluntary, Community and Faith Sector (VCFS) as appropriate
- Consider whether non advertised opportunities would be of interest to local suppliers and/or third sector organisations and, if so ensure that at least one of the suppliers invited to quote is local and/or a third sector organisation
- Publish a 12 –18 month procurement pipeline on our website to better inform potential suppliers
- Promote and endorse the requirements of the Equality Act 2010 and the Modern Slavery Act 2015 through our procurement activity and contractual arrangements
- Treat suppliers fairly and equally at all times and act impartially and objectively and with integrity and honesty throughout the procurement process