

CABINET

DATE	15 th November 2023
REPORT OF	Cllr Stephen Harness, Portfolio Holder Finance, Resources and Assets
RESPONSIBLE OFFICER	Sharon Wroot, Executive Director Place and Resources
SUBJECT	Refresh of Procurement Strategy & Social Value Policy
STATUS	Open
FORWARD PLAN REF NO.	CB 10/23/01

CONTRIBUTION TO OUR AIMS

An effective Procurement Strategy and associated Social Value Policy supports the delivery of the ambition stated in the Council Plan that says ‘with solid reporting and governance in place, we wish to take partners with us on North East Lincolnshire’s journey – sharing objectives and interests for the benefit of all, creating stronger economies and stronger communities’.

EXECUTIVE SUMMARY

Our Procurement Strategy is due for review and requires a full refresh to reflect changes in national strategy and reflect local priorities. The current Social Value Policy was approved by Cabinet in November 2018 for adoption from 1st April 2019. It is an opportune time to refresh the policy as it links closely with the aims of the Procurement Strategy.

RECOMMENDATIONS

It is recommended that Cabinet:

1. Adopts and approves the revised version of the Procurement Strategy (Appendix A) and the ‘Valuing North East Lincolnshire’ Social Value and Community Benefit Policy (Appendix B) for immediate implementation.
2. Delegates responsibility to the Executive Director Place and Resources, in consultation with the Portfolio Holder for Finance, Resource and Assets, to so implement.

REASONS FOR DECISION

The Procurement Strategy requires a refresh to reflect changes in national strategy and to ensure that it reflects local priorities. It is also an opportune time to review and refresh the Social Value policy to ensure consistency of approach, and to strengthen the Council’s commitment to achieving community benefits through commissioning and procurement activity.

1. BACKGROUND AND ISSUES

- 1.1 A full refresh of the current Procurement Strategy has been undertaken to reflect changes in national strategy and to reflect local priorities.
- 1.2 The refresh of the Procurement Strategy provides an opportunity to better

reflect the need to consider social value and community benefits in our commissioning and procurement activity and promote procurement as an enabler both internally and externally. This is underpinned by a refreshed Social Value and Community Benefit policy that is more specific about the community benefits that we seek to achieve.

- 1.3 The strategy provides a framework for decision making relating to the purchasing of goods, services and works by the Council, working within the Council's Contract Procedure Rules. It incorporates the most appropriate elements of best practice in structure, policy, and procedure, and will remain sufficiently flexible to respond to both internal and external change.
- 1.4 Value for money is more than financial value. We aim to use our procurement processes to derive the greatest benefit to the local economy and our residents, and to ensure that the goods, services and works that we procure reflect our values and priorities, for example, relating to climate change, fairness, tackling deprivation, and creating sustainable economic growth.
- 1.5 The revised Social Value and Community Benefit policy 'Valuing North East Lincolnshire' states our ambition to increase community benefit within our procurements. It includes a framework that provides officers and suppliers with clear examples of commitments that we would expect to see included in procurement tenders, that can be evaluated as part of the decision-making process, monitored, and reported.

2. RISKS AND OPPORTUNITIES

- 2.1 The refresh of the strategy and policy provides us with the opportunity to state our intentions to work in a way that delivers community benefit, and to be held to account to deliver these aims.
- 2.2 Failing to maintain clear and up to date strategy and policy increases the risk of inconsistency and lost opportunity to maximise social value opportunities.

3. OTHER OPTIONS CONSIDERED

Options as to how to best deliver the requirements of the national Procurement Strategy and Social Value Act have been considered as the strategy and policy has been developed. Feedback from partners, the community, and Communities Scrutiny Panel have also been taken on board and included within the strategy and policy.

4. REPUTATION AND COMMUNICATIONS CONSIDERATIONS

Adoption of the refreshed strategy and policy includes a commitment to report against the delivery of the aims of both documents, ensuring transparency about the effectiveness of the approach.

5. FINANCIAL CONSIDERATIONS

The effective application of the strategy and policy will ensure that value for money takes account of both financial benefits and wider community benefits as described in paragraph 1.4.

6. CHILDREN AND YOUNG PEOPLE IMPLICATIONS

The strategy and policy both aim to deliver tangible social value and community benefits to communities within North East Lincolnshire. This includes using social value as a platform to provide opportunities to improve skills, work experience and employment opportunities for all children and young people, and particularly those who are more disadvantaged.

7. CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

The framework within the Social Value and Community Benefit Policy supports our ambition to enhance and protect the natural environment through sustainable industry, housing, transportation and energy solutions, and the framework provides suppliers with examples of the type of commitment that will be included when evaluating tenders.

8. CONSULTATION WITH SCRUTINY

Consultation with Communities Scrutiny Panel took place at the meeting on 7th September 2023.

9. FINANCIAL IMPLICATIONS

Whilst there are no direct financial implications from adopting these strategies, ensuring that we have an up to date VFM and social value policy, support the council in delivering its best value responsibilities by ensuring that decisions are made within approved strategy and policy frameworks. As outlined in section 5, the application of the strategy will ensure that the Council achieves value for money in consideration of both financial and social value benefits.

10. LEGAL IMPLICATIONS

10.1. The policy implications and expectations are covered in the above report.

Clearly the adoption of the policies will ensure that the Council remains compliant with its obligations and stated ambitions.

10.2. The Portfolio Holder for Finance, Resources and Assets retains the constitutional authority to make any future amends or modifications to policies within his remit from time to time.

11. HUMAN RESOURCES IMPLICATIONS

There are no direct HR implications arising from the contents of this report.

12. WARD IMPLICATIONS

All wards.

13. BACKGROUND PAPERS

N/A

14. CONTACT OFFICER(S)

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PORTFOLIO HOLDER FINANCE, RESOURCES AND ASSETS



Valuing North East Lincolnshire

Our approach to community benefit and social value

North East Lincolnshire Council 2023



Stronger Economy: Stronger Communities. Together we can be stronger.

Introduction

What do we mean by Community Benefit & Social Value?

Community benefit is where the council or its suppliers and partners, generate additional value from public spending for our communities or our place.

Social value is where public authorities are required to achieve community benefits through their procurement, which improves residents' quality of life through economic, social, and environmental means. The Public Services (Social Value) Act 2012 outlines our statutory requirement to consider social value benefits in relation to contracts for services.

Local authorities and other commissioners of public services must consider how their services benefit people living in the local community, including any economic, social, and environmental benefits. Under the legislation, local authority commissioners must consider how they can improve the social impact of their public service contracts before they start the procurement process. In particular, the Act states that the authority considers:

- how what is proposed to be procured might improve the economic, social, and environmental well-being of the relevant area, and
- how, in conducting the process of procurement, it might act with a view to securing that improvement.

Although this is our only statutory requirement, as an organisation we believe we should go beyond social value and aim to provide additional community benefit through all our operations where possible.



North East Lincolnshire Council

'Stronger economy and Stronger Communities'

We want to work in new ways with partners across all sectors, and with individuals, families, and communities to achieve our five high level outcomes, which are for all people in North East Lincolnshire to:

- **Reach their full potential through skills and learning.**
- **Benefit from a green economy and high-quality environment.**
- **Enjoy good health and wellbeing.**
- **Benefit from a strong local economy.**
- **Live in a safe environment, where they can have their say about things that are important to them and participate fully in their communities.**

We are committed to:

- **Doing things differently**

We will develop more targeted, tailored, and localised products and services. This will include considering all options: in-house, shared delivery as well as external contracts.

- **Working together**

We will work in partnership with our public service partners, housing associations, local businesses, voluntary and community organisations to achieve our common goals.

- **Equality and fairness**

We will focus on equality and fairness when pursuing our priorities, recognising the need to protect the most vulnerable in our communities and reduce inequality.



North East Lincolnshire Council and Social Value

We adopted our first Social Value Policy in 2019. In it, we established our social value approach in procurement and contracting. We also set out our principles and aims to create an environment that enables communities to thrive and take greater ownership of the services that are important to them.

Our principles

- Commitment to paying, as a minimum, the Living Wage.
- Partnership working to create opportunities to enhance our communities and improve lives.
- Considerations of sustainability and social value (social, economic, and environmental benefits) for North East Lincolnshire in all activity commissioned by the Council, coupled with value for money.

Our 2019 aims were to:

- Involve local people and organisations in how we meet the needs of local communities through commissioning cycle.
- Tackle disadvantage and address inequalities of health, wealth, and opportunity across the borough.
- Promote the local economy by supporting micro, small and medium sized enterprises, and the voluntary and community sector to thrive.
- Further our sustainable procurement objectives to protect and enhance the environment.

What have we achieved since 2019?

The covid pandemic had a significant impact on the council's ability to implement the policy, as resources were deployed to the emergency response. However, it also led to positive outcomes in terms of shared focus and improved working relationships across the North East Lincolnshire that will support the development of an improved approach in the future.

Since 2019:

- Where possible, we have started to involve local citizens at the earliest opportunity in the commissioning process to identify solutions which offer social value outcomes. In 2022, we brought together our citizen engagement, commissioning, solution design, procurement, and other strategic functions together to ensure more consistent and collaborative approach to supporting front-line services that promotes wider involvement in decisions and solutions.
- We have started to involve the market to agree proportionate and relevant Social Value outcomes at the pre-procurement stage and ensured that they are linked to our strategic priorities.
- Our evaluation methodology, where relevant and appropriate, applies 10% of the quality element of the price/quality ratio to Social Value.
- In 2022/23 we spent 25% of the Council's total procurement budget with micro, small and medium size businesses, social enterprises, and voluntary/community organisations.
- We have worked with internal staff, the marketplace, and communities to improve understanding of Social Value during commissioning and procurement exercises.

Our ethical expectations for those organisations working with the Council.

We expect suppliers and partners to adopt sound and legal employment terms, including high quality health and safety standards, ensuring fair and equal treatment in the workplace and evidence of working to employment and equality legislation. This includes practises which ensure modern slavery and child labour issues are positively addressed. This will be ensured throughout the tendering process.

Our community benefit and Social Value ambitions for 2023 and beyond.

This policy is a continuation of the ambitions set out in our 2019 policy. Our core principles and ethical considerations remain the same, but for 2023 and beyond we are committed to widening our community benefit and social value ambitions.

We are committed to work with the community, partners, and the market to increase understanding of social value, community wealth creation and community benefit to inform decisions and solutions that are aligned to our organisational priorities. We want to ensure that social value, community wealth and community benefit are referenced and considered in council strategies and plans.

This policy provides guidance to Council officers in identifying the social value that can be achieved from their contracts and activity, and to inform organisations tendering for council contracts of the council's priorities in this area.

Our community benefit and social value ambitions are listed below under our high-level outcomes for North East Lincolnshire:

All people in North East Lincolnshire reach their full potential through skills and learning.

- Influence and create inclusive and equitable access, education, employment, and career progress for our residents, including apprenticeships and work placements, growing the skills base, and promoting lifelong learning opportunities.
- Encourage and promote full and productive employment, and decent work for all.

NELC policies and strategies which support this outcome include the Skills Strategy and the Education and inclusion strategy.

All people in North East Lincolnshire benefit from a green economy and high-quality environment.

- Protect and enhance the built and natural environment through sustainable, innovative, and resilient infrastructure and industry and the availability of good quality new or renovated housing for all. Promote access to affordable, reliable, sustainable, and modern energy solutions and offering support for community energy schemes.
- Deliver the Zero Carbon and Natural Assets plans, promote and support opportunities for organisations, communities, and residents to respond to environmental challenges including transport, conservation, reuse, recycling, and energy saving.

NELC policies and strategies which support this outcome include the Natural Assets Plan, the Carbon Roadmap and the Green Space Strategy.

All people in North East Lincolnshire enjoy good health and wellbeing.

- Work with partners to tackle disadvantage and address inequalities of health, wealth, and opportunity by targeting activity towards those most in need, prioritising our most vulnerable.

NELC policies and strategies which support this outcome include the Health and Wellbeing framework, the Public Health Assurance Framework and the Playing Fields Policy.

All people in North East Lincolnshire benefit from a strong local economy.

- Support micro, small and medium sized enterprises, and the voluntary and community sector to develop and grow – enabling SMEs and VCSE organisations to feel able to participate in the tendering and procurement process.
- Promote inclusive growth by involving communities and local businesses in regeneration projects and programmes, particularly in our urban centres and offering opportunities to grow the community business sector.
- Promote opportunities for ethical recruitment, employment, and banking.
- Represent and champion NEL at a national level, promoting us as a place to live, work, invest and visit.
- Agree proportionate and relevant Social Value outcomes with the marketplace at the pre-procurement stage and ensure that they are linked to our strategic priorities.
- Where relevant and appropriate, ensure that our procurement methodology includes a minimum 10% of the quality element of the price/quality ratio is allocated to measurable Social Value outcomes (see appendix). This a requirement on deals over £100,000 but should be included in all deals below this when relevant and appropriate. Where social value is opted out of evidence is required that the full potential of social value has been explored and there is clear evidence that social value cannot be included
- Aim to spend at least 25% of the Council's total procurement budget with micro, small and medium size businesses, social enterprises, and voluntary/community organisations and be ambitious in our endeavour to improve on this figure.
- Increased local SME/VCSE participation in tender/procurement process.
- Work with internal staff, the market, and communities to improve understanding of Social Value, community wealth and community benefit.

NELC policies and strategies which support this outcome include the Economic Strategy, the Local Plan and the Procurement Strategy.

All people in North East Lincolnshire live in a safe environment, can have their say about things that are important to them and participate fully in their communities.

- Considering equality and diversity in everything we do, and offering staff, partners, communities, and residents the opportunity to have their say.
- Involving local people, community organisations and partners by beginning engagement and/or consultation at the earliest possible opportunity in a change or service redesign.
- Involve residents and partners in how we meet the needs of local communities – encouraging participative involvement in understanding needs and issues, and delivering user led or co-produced design of services and products.
- Support and facilitate community led change, asset-based community development and community asset transfers.
- Support activities which increase the number of volunteers, encouraging NELC employees to use their allocated volunteering hours in local VCSE organisations.
- Act as a social value champion across our place, setting an example and encouraging partners to develop their own social value approaches.
- Support activity which makes our borough inclusive, safe, resilient, and sustainable.
- Increase access and availability of arts and leisure activities for residents across the borough.

NELC policies and strategies which support this outcome include the Talking Listening and Working Together engagement strategy, the Insights Strategy, the ASB Case Review/Community Trigger Policy, Caught on Camera - Operational Policy, CCTV Strategy, Community Safety and Partnership Plan, the Domestic Abuse Safer Accommodation Strategy, the Domestic Abuse Strategy and Enforcement Policies.

How will we know this policy is working?

A Community Benefit and Social Value Advisory Group will oversee the development and implementation of Social Value in the Council.

We will produce annual reports on the progress and impact of social value across all key commissioning, procurement and other activity referenced in our social value ambitions. In this report we will highlight other projects that have provided wider community benefit. This will also be seen through the delivery of our council plan ambitions.

Review

The Council will keep the delivery of its Social Value Policy under review and report progress to Cabinet on an annual basis. In doing so, it will take account of any changes in legislation pertaining to the Public Services (Social Value Act) 2012, the Local Government Act 1999, EU Regulations, and any changes to Place priorities over the years. It will also allow changes that ensure that the expected benefits of the policy are being achieved.



North East Lincolnshire Council wants to make it easy for anyone to consider social value in their work and engagement with us. The framework below sets out our priorities against some of the commitments that we would like to see from contractors when developing their Social Value proposals, depending on the type of contract. However, we accept this needs to be flexible and allow for new and innovative ideas about how to deliver Social Value in line with our outcomes and priorities. These activities will be reported on to ensure that we can demonstrate and evidence the impact and contribution that our social value approach is having towards achieving North East Lincolnshire's Outcomes.

NEL Outcome: All people in North East Lincolnshire reach their full potential through skills and learning

<p>Ambition: To use social value as a platform to provide equal access to high-quality education, employment and career progression through schemes such as apprenticeships, work placements, and encouragement of lifelong learning by:</p>	<p>Example Commitments:</p> <ul style="list-style-type: none"> - Paying and promoting the Living Wage. - Providing sustainable employment opportunities. - Offering support for the unemployed and career mentoring services. - Inspiring young people through school and college visits. - Providing quality apprenticeships with clear gains. - Providing work experience and careers support. - Providing opportunities for disadvantaged groups – including young people, NEETs, rehabilitating young offenders, care leavers, those with mental or physical health conditions and learning difficulties and long-term unemployed. - Local advertising for all employment opportunities and apprenticeship vacancies. - Working with the existing local education and training system to deliver training and careers activities wherever possible.
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NEL Outcome: All people in North East Lincolnshire benefit from a green economy and high-quality environment

<p>Ambition: Enhance and protect the natural environment through sustainable industry, housing, transportation and energy solutions by:</p>	<p>Example Commitments:</p> <ul style="list-style-type: none"> - Reducing the amount of waste and single-use plastic and seeking opportunities to recycle wherever possible. - Supporting NELC's target to reduce carbon emissions by taking concrete steps to minimise energy consumption and consider the environmental performance of the wider supply chain. - Supporting initiatives to improve the local environment such as through local growing schemes and measures to address air pollution and fly-tipping.
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NEL Outcome: All people in North East Lincolnshire enjoy good health and wellbeing

<p>Ambition: Work with partners to tackle disadvantage and address inequalities of health, wealth, and opportunity by targeting activity towards those most in need, prioritising our most vulnerable by:</p>	<p>Example Commitments:</p> <ul style="list-style-type: none"> - Supporting initiatives to tackle obesity, anti-social behaviour, domestic abuse and other challenges that affect the independence and resilience of residents. - Commitment to workplace wellbeing and initiatives that improve staff wellbeing. - Contribution to initiatives to tackle homelessness. - Undertake wellbeing initiatives in the community to engage people in health interventions. - Support strong community networks for vulnerable people, including those with disabilities and older people.
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NEL Outcome: All people in North East Lincolnshire benefit from a strong local economy

<p>Ambition: Investing in local micro, small and medium sized enterprises and voluntary and community sector by facilitating increased VCSE impact in our area, promoting local investment, and regeneration by:</p>	<p>Example Commitments:</p> <ul style="list-style-type: none"> - Provision of expert advice or support to local VCSEs and SMEs. - Equipment or resources donated to local VCSEs. - Buying goods and services from organisations based in North East Lincolnshire wherever possible -
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NEL Outcome: All people in North East Lincolnshire live in a safe environment, can have their say about things that are important to them and participate fully in their communities

<p>Ambition: Helping our people feel valued and able to contribute to our society, by promoting diversity, encouraging volunteering, and involving the community in change by:</p>	<p>Example Commitments:</p> <ul style="list-style-type: none"> - Involving residents in the design of projects and services wherever relevant. - Building the capacity of local community groups and activities, such as through volunteering, mentoring, and providing space and facilities. - 'Buying social' where possible, by sub-contracting with organisations that share our values and have a social purpose, such as those from the voluntary, community and social enterprise sectors. - Embracing equality and diversity. - Demonstrating commitment to ethical procurement. - Contributing to initiatives to reduce crime.
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Valuing North East Lincolnshire

Our approach to community benefit and social value

North East Lincolnshire Council 2023

**Stronger Economy: Stronger Communities.
Together we can be stronger.**

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North East Lincolnshire Council

Procurement Strategy

2023 - 2027



Stronger Economy: Stronger Communities. **Together we can be stronger.**

Introduction

North East Lincolnshire's **Council Plan** states that:

With solid reporting and governance in place, we wish to take partners with us on North East Lincolnshire's journey – sharing objectives and interests for the benefit of all, creating stronger economies and stronger communities.

To be successful, it is important that our key objectives for North East Lincolnshire are owned by our anchor organisations and sectors. Along with our key partners in 2021 we revisited the Outcomes Framework for North East Lincolnshire.

This has five outcome areas, and those are that our people should:

- **Reach their full potential through skills and learning;**
- **Benefit from a green economy and a high-quality environment;**
- **Enjoy good health and wellbeing;**
- **Benefit from a strong local economy;**
- **Live in a safe environment, can have their say about things that are important to them and participate fully in their communities.**

This strategy underpins the delivery of our Council Plan.

The strategy provides a framework for decision making relating to the purchasing of goods, services and works by the Council. It incorporates the most appropriate elements of best practice in structure, policy, and procedure, and will remain sufficiently flexible to respond to both internal and external change.

There is an on-going challenge due to the current economic climate, placing public sector finance under increasing pressure and scrutiny. This means that obtaining value for money, creating opportunities for economic growth and the delivery of social value within North East Lincolnshire will be a strong focus of our procurement activity.

Value for money is more than financial value. We aim to use our procurement processes to derive the greatest benefit to the local economy and our residents, and to ensure that the goods, services and works that we procure reflect our values and priorities, for example, relating to climate change, fairness, tackling deprivation, and creating sustainable economic growth.

In keeping with the ambition of the Council's place led approach and aligned with the Council Plan, the **National Procurement Strategy**, and the **National Procurement Policy Statement**, this procurement strategy sets high standards for the Council. Delivery will require commitment, action and buy-in from elected members, staff, key stakeholders and suppliers if North East Lincolnshire citizens are to receive high quality and cost-effective services.

This document should be read in conjunction with the Council's **Constitution** which details the Contract Procedure Rules that all Council procurements must comply with.

¹ The Contract Procedure Rules set out the mandatory procurement procedures that must be followed by officers and elected members when the Council spends money on the services, goods and works. They form an integral part of the Council's Constitution.



Context

Commissioning & Procurement – what is the difference?

Commissioning is the process of planning, designing, and monitoring services based on the understanding of a community's needs, within the resources available. Successful commissioning involves gathering data, intelligence, and insight from a range of sources, for example, organisations and sectors working with our communities, community groups, local businesses, or individual residents to ensure that we deliver the right outcomes at the right cost.

Successful commissioning leads to good decision making, based on evidence and a thorough understanding of need which together set a path for delivering the right outcomes within a value for money context. It is an on-going, iterative, and inclusive process of activities which determine where and how best to deploy the resources available and can determine where additional social value can be added into contracts or service delivery, for example, through creating opportunities for local employment or training, or by taking actions that improve environmental sustainability.

Procurement is the process of acquiring goods, services and works, and covers the full lifecycle from the initial concept to the end of useful life of an asset or service. It has a wider scope than 'purchasing' or 'buying'; as a public authority it concerns securing products and services that best meet the needs of the community whilst taking into account the fundamental principles of efficiency, economy and effectiveness. Put simply, commissioning is about the '**what**' and procurement is about the '**how**'.

Within the Council, procurement and commissioning are interrelated functions with the ultimate goal of sourcing the most appropriate delivery option based on the intended outcome.



Our Procurement Aspiration

This strategy is intended to underpin our approach to procurement so that we deliver social value and sustainability whilst maintaining the best value for goods, services and works in the most cost effective and timely manner.

- It emphasises the importance of procurement decisions and will be communicated widely to Members, officers, partners, suppliers, stakeholders, and the community.
- It is designed to ensure goods, services and works are consistently procured in an open, fair, and transparent way, in compliance with the Council's Contract Procedure Rules and procurement legislation.
- It emphasises the importance of sustainable procurement; using procurement to support wider social, economic, and environmental objectives in a way that offers real long-term benefits to the local community.
- It paves the way for the Council's contribution to the broader public procurement landscape in North East Lincolnshire – one which promotes the needs of the North East Lincolnshire community, fosters innovation and efficiency, and uses procurement to support the local economy and develop and shape the local market.

² The Public Services (Social Value) Act 2012 came into force in January 2013. It requires the Council at the pre-procurement phase of procuring services to consider how what is being procured might improve the economic, social and environmental well-being of an area.



Aim

By adopting this strategy our aim is that our approach to procurement will:

- **Support** the local economy and work to enable small to medium sized enterprises (SME) and the voluntary, community and social enterprises (VCSE) in its activities and enable the local market to feel able and willing to work with the Council.
- **Deliver** tangible and meaningful social value benefits to the local community of North East Lincolnshire.
- **Achieve** value for money for the Council and residents of North East Lincolnshire.

³ An SME is any organisation that has fewer than 250 employees and a turnover of less than €50 million or a balance sheet total less than €43 million. What is an SME

⁴ VCSE means an incorporated voluntary, community or social enterprise organisation. VCSE definition

⁵ Value for money is defined by the HM Treasury publication Managing Public Money as ‘securing the best mix of quality and effectiveness for the least outlay over the period of use of the goods or services bought. It is not about minimising upfront prices.’



Our Approach

Commercial and Procurement Delivery

Description

The right policies and processes are in place to consistently achieve value for money, ensure good governance, transparency, and continual improvement of procurement practice.

Priorities

- Behaving Commercially
- Developing Market Awareness
- Modernising Procurements
- Developing Skills and Capabilities in Procurement
- Strong & Effective Governance
- Transparency and Openness

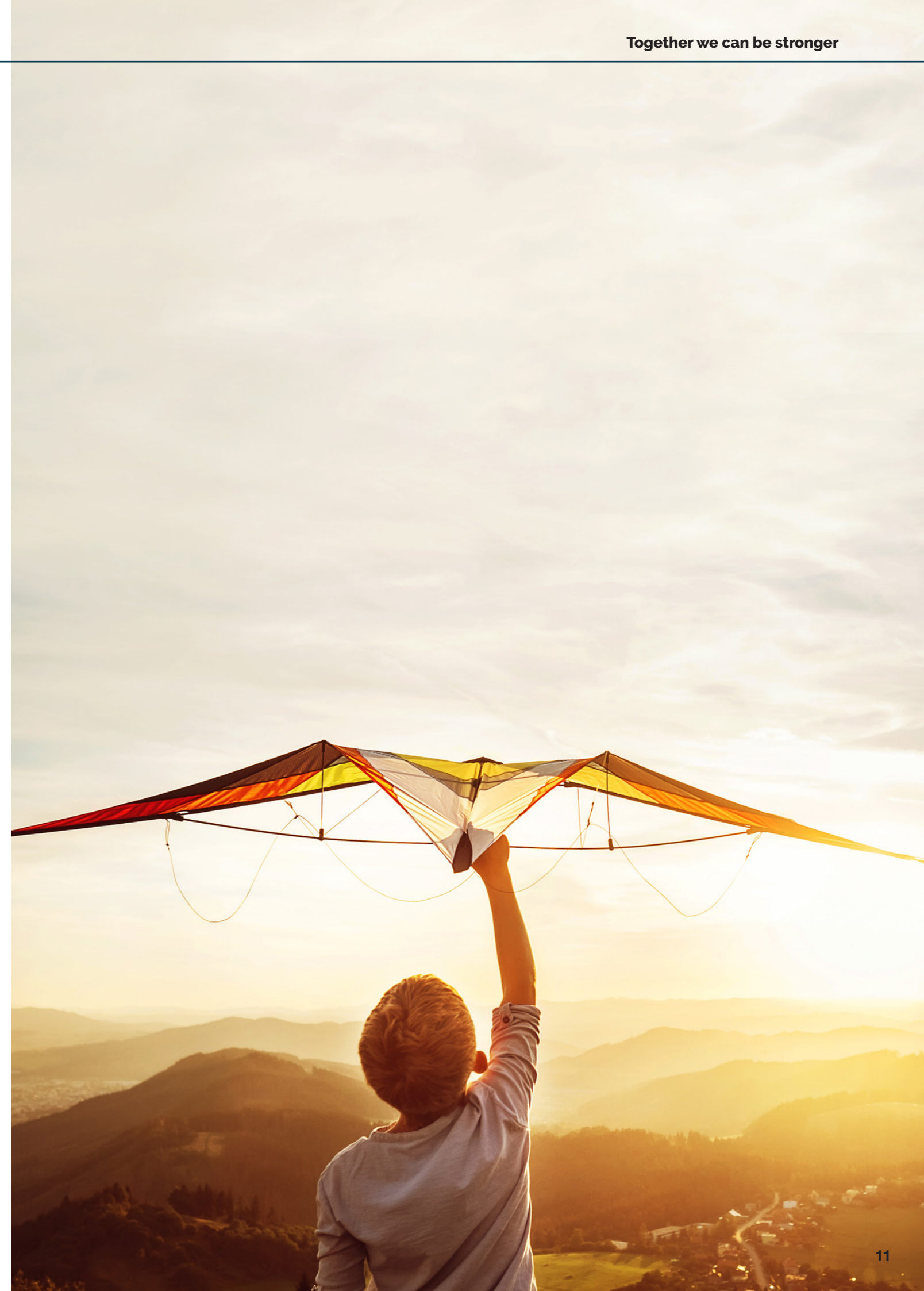
How we will deliver

- Through adoption of a category management⁶ approach to develop an understanding about the Council's key business areas, the related market's and to identify potential opportunities.
- Procurement processes are simplified as much as possible, making them easy to use, equitable, proportionate, and relevant, for Council officers and suppliers alike.
- Ensuring procurements comply with the statutory requirements and the Council's Contract Procedure Rules.
- By ensuring the sustainability and suitability of the suppliers we contract with, for example, by ensuring that suppliers comply with the Modern Slavery Act 2015.
- Ensuring compliance with transparency requirements so that suppliers are sighted on procurement opportunities and current contracts.
- Through publishing the procurement pipeline⁷ which will allow potential suppliers to understand future requirements.
- Through the provision of fit for purpose template documents, which both comply with statutory requirements and allow the Council to procure its desired outcomes.
- Through co-production with local, regional, and national stakeholders when relevant.
- Taking part in collaborative procurements when suitable in order to achieve value for money.
- By benchmarking procurement and commercial capabilities and providing training where gaps are identified.

⁶ Category management is a strategic approach to procurement. It's where organisations segment their spend into areas which contain similar or related products. It allows more focus on categories that have opportunities for consolidation and efficiencies. <https://www.cips.org/intelligence-hub/category-management>

⁷ Preliminary Market Consultation is the way of engaging with the market in the development of scope, objectives, specification, evaluation criteria and conditions of contract prior to publishing a tender.

⁸ The way of engaging with the market in the development of scope, objectives, specification, evaluation criteria and conditions of contract prior to publishing a tender.



Achieving Community Benefits

Description

Ensuring that the contracts we let include relevant and deliverable social value outcomes.

Ensuring that we create the conditions that allow for local SME and VCSE organisations to engage and participate in the commissioning process and have the opportunity to tender for relevant contracts.

Priorities

- Obtaining social value.
- Positively contributing towards the local environment.
- Enabling local SME and VCSE engagement and participation.

How we will deliver

- Early visibility of tender opportunities to the local market, and in particular SME and VCSE organisations, via the publishing of the Procurement Pipeline, allowing them time to prepare for taking part in opportunities.
- When there is a local market for a requirement, and in particular SME and VCSE organisations, making opportunities accessible to them, through proportionality and simplifying of processes, and increasing their engagement in Preliminary Market Consultation.

- Consideration is given to lotting procurements, especially when there is a local market for a requirement, to make opportunities more accessible for SME and VCSE organisations.
- When there is a local market for a requirement, particularly SME and VCSE organisations, procurement timescales reflect their limited resources.
- By considering how all procurements can positively contribute towards the Council's Social Value Policy and deliver tangible and meaningful added Social Value within North East Lincolnshire.
- As a minimum, all procurements over £100,000 will be required to consider and include Social Value metrics as a part of the scoring and evaluation process. However, in reflecting the Council's commitments to both social value outcomes and the development of the local economy and VCSE sector, wherever possible, procurements below this value will also seek Social Value benefits. Opting out of including a social value element will require evidence that the full potential of social value has been explored and there is clear evidence that social value cannot be included.
- Where possible, make social value inherent to the quality element of tenders for person-centred services.
- By considering how all procurements can positively contribute towards the Council's Environmental Vision and contribute towards the Net Zero target of 2030, and how suppliers can mitigate their impact on the local environment of North East Lincolnshire during performance of the contract.
- Encouraging ways of working that reduce waste, improve resource efficiency and contributing to the move towards a circular economy.
- Ensuring prompt and efficient payment of suppliers.
- Ensure that all contracts include management fees or core costs to ensure organisations are supported to operate sustainable businesses.

Measures of Success

- Upcoming tenders are publicised ensuring we are transparent about our procurement intentions.
- Tangible and meaningful environmental benefits are delivered within North East Lincolnshire as a result of procurements.
- Tangible and meaningful added social value is delivered within North East Lincolnshire as a result of procurements.
- Spend with Suppliers based in North East Lincolnshire is maximised, to achieve tangible and meaningful economic benefit.
- When there is a local market for the Council's requirements, local suppliers become engaged in Preliminary Market Consultation and Procurements.
- Suppliers are paid within 30 days. Payment to local SME and VCSE are paid sooner where possible. We will contractually enforce payment to second and third tier suppliers, wherever possible.

Monitoring Arrangements

The Council will keep the delivery of the strategy under review and report on progress to Cabinet on an annual basis. In doing so, it will take account of changes in legislation and local priorities and ensure that the aspirations and commitments are being delivered.



Stronger Economy: Stronger Communities.
Together we can be stronger.

North East Lincolnshire Council
**Procurement
Strategy**

2023 - 2027

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