

REPORT OF THE DEPUTY DIRECTOR (CONTRACTS & PROCUREMENT)
TO THE EXECUTIVE
7 DECEMBER 2007

Approval of Procurement Strategy

1.0 Introduction and Report Summary

- 1.1 The Council needs a clear and concise Procurement Strategy to provide guidance to staff involved in the procurement process as to how to buy effectively on behalf of the Council and to demonstrate to tax payers and other stakeholders that the Council is compliant with the law and best practice in carrying out its procurement activities, as well as delivering value for money. It has been developed from a procurement framework that was submitted to Strategic Review Committee for review in January 2007. The Strategy takes full account of Government recommendations (including the National Procurement Strategy 2003) and takes account of current priorities such as environmental, economic and social sustainability and equalities and diversity. Acknowledgment is made to staff in South Oxfordshire District Council who provided the Deputy Director (Contracts and Procurement) with assistance in drafting the Strategy .
- 1.2 It is accompanied by a Plan which details 15 key activities which need to be carried out in order to develop procurement excellence in the Vale.
- 1.3 The contact officer for this report is Mike Mackay, Deputy Director (Contracts and Procurement), Tel: 01235 540337 Email:michael.mackay@whitehorsedc.co.uk

2.0 Recommendation

That the Executive approves the Procurement Strategy

3.0 Relationship with the Council's Vision, Strategies and Policies

This report relates to the Council's Vision in that it supports our aims, in particular to encourage a strong and sustainable economy and to provide and support high quality public services. It also supports our Corporate Priorities, in particular the medium term financial plan through cost effective procurement. The report does not conflict with any Council Strategies. Furthermore, the report complies with all relevant existing policies on Equality and Diversity.

4.0 Improving Procurement Effectiveness

- 4.1 The Council currently lacks a clear statement of how it goes about procuring goods and services. This strategy is designed to provide that clarity to all stakeholders, whether that be staff involved in the procurement process, Council Tax payers or local suppliers looking to do business with the Council. It will be accompanied by other related communications, such as a new guide to "Selling to the Council".

- 4.2 The plan attached to the strategy identifies some key areas which need to be addressed to improve purchasing effectiveness, including simplified and automated processes and procedures.
- 4.3 The Council does not have a dedicated purchasing team and lacks purchasing professionals, procurement is carried out by departments across the Council. The range of procurement skills varies. It is therefore particularly important that adequate support and training is provided to all staff to enable them to carry out their procurement responsibilities effectively. Additionally, a Contracts and Procurement Forum will be created to enable best practice to be shared.

5.0 Budget / Resource Implications

- 5.1 There are no direct financial implications arising from approval of the strategy, but it is the intention to use the strategy and plan to drive down both the cost of bought in goods and services and the process costs associated with the procurement process. There may be some small incidental costs for the production of leaflets, staff training and so on but this will be covered within existing budgets.
- 5.2 A savings plan has been produced and fed into the medium term financial plan which targets an annual saving of £136,000 to be achieved during 2009/10. There will be a need to buy-in some expert resource on a temporary basis to assist in delivering this saving. The DD C&P is working with colleagues in County and Oxford City to establish the most cost-effective means of buying-in such resource and will produce a separate report for the January Executive.

MIKE MACKAY
DEPUTY DIRECTOR (CONTRACTS AND PROCUREMENT)

STEVE BISHOP
STRATEGIC DIRECTOR