

CYNGOR SIR POWYS COUNTY COUNCIL.

CABINET EXECUTIVE

10th July 2018

**REPORT AUTHOR: County Councillor Aled Davies Deputy Leader and
Portfolio Holder for Finance**

SUBJECT: Commissioning Commercial and Procurement Strategy

REPORT FOR: Decision

1. Summary

This report presents the Commissioning Commercial and Procurement Strategy for approval following an extensive internal and external consultation process

2. Proposal

- 2.1 This report is to seek approval for the Commissioning Commercial and Procurement Strategy so that the services can begin implementation of its requirements with due haste.
- 2.2 The Commissioning and Procurement Strategy (Appendix 1) sets out the Council's definition, vision, and methodology for its Commissioning Commercial and Procurement activity and has been aligned to any relevant national legislation and local policies, guidance and best practice as well as more recently with Council's 2025 Vision.
- 2.3 It brings together the activities of commissioning, procurement, contract management, commercialisation and trading into a single document to align these activities across the Council. Some of the activity is in early development within the local authority and will require further development of processes and procedures in order for it to run parallel to the commissioning activity.
- 2.4 The alignment of commissioning and procurement activity within the same strategy does not mean that commissioning will necessarily lead to a procurement activity. In House options will be considered carefully as well as other options in an evidence based commissioning methodology or toolkit. As well as in house options, other options could include, community delivery, partnership procurement or more alternative delivery models.
- 2.5 The commissioning process requires an evidence based approach to be adopted and this will rely on data information, both historical and current for services delivered to provide quality information to examine the

alternatives so that Powys council can consider fully the available options. Where services are not currently being delivered an evidenced based option appraisal will use the available information from markets neighbouring authorities or best practice or any knowledge gathered in order to inform the options.

- 2.6 An important part of the strategy for procurement is the development of a category management approach which is not dissimilar to that of the commissioning approach as they both rely upon full analysis and evidence before planning, implementation and ongoing monitoring and review.
- 2.7 A new element added is the inclusion of Community Benefits section. This means trying to spend as much as is practicable within the Powys supply chain and within the confines of the procurement legal framework by maximising the use of enabling procedures within them to encourage local bidding and local opportunities.
- 2.8 It includes using the Powys spend (with other contractors and suppliers and third sector) to encourage employment, use of local suppliers and subcontractors, and training and apprenticeships opportunities for all employment groups to encourage community support.
- 2.9 The Council may wish that further guidance is developed for managers and staff to encourage the consideration of local markets as part of the development of the delivery action plan.
- 2.10 There is also a greater focus on the requirements for good contract management and ensuring a more strategic approach is offered across all services to ensure that the benefits are realised and delivered to the required standard and specification.
- 2.11 Good contract management is vital in ensuring that partners suppliers and contractors deliver the highest levels of services and supplies as defined and set out in the specification and contract documents
- 2.12 A delivery action plan is being developed and the local sourcing 'Spending the Powys Pound' action plan was presented to the Commissioning and Procurement Board in November for consideration and a timetable for implementation is being monitored by the Commissioning and Procurement Board

3. Options Considered / Available

3.1 Approval of the drafted Commissioning Commercial and Procurement Strategy following extensive consultation

3.2 Rejection of the CCP Strategy

4. Preferred Choice and Reasons

4.1 Approval of the Consultation so that Commissioning Commercial Procurement and Commercialisation activity is aligned with the Council's 2025 Vision, the Welsh Government's Well Being Goals as well as policies that can be further developed I is an important element of Making it Happen for the Council as well as it Economy programme priority.

5. Impact Assessment

5.1 Is an impact assessment required? Yes

5.2 If yes is it attached? Yes

6. Corporate Improvement Plan

6.1 (Included in Impact Assessment)

7. Local Member(s)

7.1 Applies to all members

8. Other Front Line Services

Does the recommendation impact on other services run by the Council or on behalf of the Council? Yes/

If so please provide their comments

Comments from services were incorporated as part of the consultation and refinement of the strategy

9. Communications

Have Communications seen a copy of this report? Yes

Have they made a comment? If Yes insert here.

10. Support Services (Legal, Finance, Corporate Property, HR, ICT, Business Services)

10.1 Legal:

10.2 Finance : The Finance Business Partner supports the CCP strategy so that the services can begin implementation of its requirements as soon as possible.

10.3 Corporate Property (if appropriate)

10.4 HR (if appropriate)

10.5 ICT (if appropriate)

11. Scrutiny

Has this report been scrutinised? No

11.1 Three members of Scrutiny attend the Commissioning and Procurement Board and the report was tabled on 22nd May 2018

12. Statutory Officers

The Head of Financial Services (Deputy Section 151 Officer) is supportive of the proposal.

13. Members' Interests

The Monitoring Officer is not aware of any specific interests that may arise in relation to this report. If Members have an interest they should declare it at the start of the meeting and complete the relevant notification form.

Recommendation:	Reason for Recommendation:
To approve the Commissioning Commercial and Procurement Strategy.	The Council's Commissioning and Procurement Strategy will play a pivotal role in the achievement of the Powys Vision 2025. This Strategy will create the framework within which the Council will work to turn its Vision into practice.

Relevant Policy (ies):	Contract Procedure Rules, PCC Terms and Conditions, Purchase Order Terms and Conditions, Public Contracts Regulations 2015.		
Within Policy:	Y	Within Budget:	Y

Relevant Local Member(s):	Aled Davies
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Person(s) To Implement Decision:	Vince Hanly
Date By When Decision To Be Implemented:	Date of Strategy - 2018 to 2020

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Background Papers used to prepare Report: