

To: Cabinet
Date: 16 November 2022
Report of: Head of Financial Services
Title of Report: Corporate Procurement Strategy 2022-2025

Summary and recommendations	
Purpose of report:	To seek approval for a three year Corporate Procurement Strategy for the Council
Key decision:	No
Cabinet Member:	Councillor Ed Turner, Deputy Leader (Statutory) and Cabinet Member for Finance and Asset Management
Corporate Priority:	All
Policy Framework:	Council Strategy 2020-24

Recommendation: That Cabinet resolves to:
1. Approve the Corporate Procurement Strategy 2022-2025

Appendices	
Appendix 1	Draft Corporate Procurement Strategy 2022 - 2025

Introduction and background

1. The current procurement strategy was due to end at the end of August 2022.
2. A new three year corporate procurement strategy (the strategy) is recommended to be put into place until 2025, a year after the corporate priorities are due to be reviewed. This will allow a new strategy to be developed in-line with any updated corporate priorities in 2025.
3. A range of internal stakeholders have been engaged in formulation of the strategy and any feedback received has, where practical to do so, been incorporated into this draft.

Key changes from the 2020 strategy

4. Below is a brief summary of the key changes from the 2020 Procurement Strategy which will be introduced by the new strategy:
 - More detail related to social value commitments and outcomes;
 - Social value flow chart and procurement statement replaced with a social value policy and OxTOMs (Oxford version of Themes Outcomes and Measures);
 - Steps towards sustainable procurement replaced with Sustainability in procurement and a sustainability impact assessment;
 - Application of equalities in procurement flow chart replaced with an Equality, Diversity and inclusion in procurement policy and impact assessment;
 - Key performance indicators.

Salient Points of the Strategy

5. The Strategy has links to documents relating to certain areas such as:
 - a. Social Value
 - i. Social value policy.
 - ii. OxTOMs.
 - b. Sustainability
 - i. Sustainability in Procurement policy.
 - ii. Sustainability impact assessment for procurement.
 - c. Equality, Diversity and Inclusion (EDI)
 - i. EDI impact assessment for procurement.
 - d. Contract Management
 - i. Contract Management Hand over document.
 - ii. Service Level and Key Performance Indicator document.
 - iii. Contract Management lifecycle.
 - e. Procurement Capabilities
 - i. Key skill requirements for procurement.
 - f. Key statistics and trends
 - i. Last 3 years spend data.
 - ii. Small / Medium Enterprise spend data.
 - iii. Local spend data.
 - iv. Contract Register and Procurement Pipeline information.
 - v. Exemption data.

Other implications

6. There are no known implications.

Financial implications

7. Whilst there are no direct financial implications arising from the agreement of the Strategy, clearly the absence of an agreed strategy could lead to increased costs being incurred by the Council, or indeed missed opportunities.
8. It is vital that the wholly owned companies (Oxford Direct Services Limited (ODSL), Oxford Direct Services Trading Limited (ODSTL), Oxford City Housing Limited (OCHL), and Oxford City Housing Development Limited (OCHDL)) work with the Council in relation to procurement in order to ensure that there is not a duplication of the tendering process and awarding of contracts offering the same goods, services or works potentially disaggregating spend and diluting the financial savings arising from Group buying power.
9. It is also important that all the Council's companies are considered in all procurements and named to co-use the contracts where it is deemed practical to do so, reducing on-costs and hopefully driving more value for money for all the council owned companies.

Legal issues

10. There are no known legal implications of adopting the strategy. However adopting an up to date procurement strategy will assist the Council to be mindful of and comply with the relevant legislative framework. Procurement operates in a highly regulated environment governed by the Council's internal procedures and rules such as the Contract Rules in the Constitution and legislation such as the UK Public Contract Regulations 2015, the Concession Contracts Regulations 2016 and the Utilities Contracts Regulations 2016 (soon to become one legal framework (2023)). The Strategy has also been prepared (so far as possible) to reflect changes that the Council anticipates may be required to comply with the Procurement Bill when this comes into force next year. The Procurement Bill is currently going through parliament and is expected to become law during the course of 2023. The government has indicated that there will be a six month transition period to allow authorities and suppliers time to prepare for any changes introduced by the Procurement Bill. The Public Services (Social Value) Act 2012 will be applicable to pre-procurement procedures and the Council must consider how any services it is considering procuring might improve social priorities and the wellbeing of the service area.

Level of risk

11. There are no known risks.

Equalities impact

12. There are no known equalities impacts; however, equalities in procurement is included within the strategy.

Environmental Impact Assessment

13. There is no known environmental risk.

Conclusion

14. The Strategy does not replace any of the Council's internal rules (Constitution section 19) or external rules (Statutory Regulations). It enhances and provides

guidance and support for internal stakeholders and sets out how procurement will support the Council's priorities.

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Background Papers: None