

HARLOW COUNCIL PROCUREMENT STRATEGY 2018



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Harlow
Council
Working together for Harlow

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FORWARD

We (“the Council”) need to ensure that we are providing value for money for all our stakeholders. At the same time we are committed to providing quality services and forming good relationships with our Suppliers.

Procurement is an important tool in a Local Authority’s toolkit through which to deliver its wider social, economic and environmental aims; and not just about buying goods, works and services at the lowest prices.

When an Officer procures goods, works or services they will consider the corporate priorities and ask questions such as: Can the voluntary or community sector be involved in this procurement? Can this project boost the local economy? What is the environmental impact of this procurement? How does Harlow residents want this delivered?

With decreasing resources procurement has an even greater role to play. It plays a key role in making savings and efficiencies across the Council. The ability to do more for less will be essential to make further savings across the Council, whilst maintaining high quality services

The Procurement Strategy (“the Strategy”) has been developed with the Council’s vision in mind “*Working Together for Harlow*” and to promote the close working relationships it has with the town’s residents, its Suppliers and organisations that wish to work with us.

National Procurement Strategy for Local Government in England (2018)

The Council’s Procurement Strategy recognises and supports the themes and key areas that will emerge from the new National Procurement Strategy developed by the Local Government Association (LGA).

INTRODUCTION

The Strategy provides a Framework for the procurement of goods, works and services that will support the Council's priorities which are:

- More and Better Housing
- Regeneration and a Thriving Economy
- Wellbeing and Social Inclusion
- A Clean and Green Environment
- Successful Children and Young People

The Strategy highlights the principles and methodology we will use to meet our duty to demonstrate value for money in service delivery whilst ensuring that the Council's aspirations can be met. In so doing, Officers shall:

- Strive to obtain and secure value for money and where possible deliver savings and efficiencies from all goods, works and services required by the Council.
- Ensure the procurement of goods, works and services are open, fair, ethical, lawful and transparent.
- Deliver procurement excellence through the identification of new and innovative solutions for service delivery; and
- Listen, advise and share knowledge and procurement experiences and expertise.

Procurement at Harlow Council will take place within the context of Contracts Standing Orders (CSOs), the policies of the Council and all relevant UK and EU legislation. To support this, the Corporate Procurement Team will co-ordinate and monitor procurement activity across all Service areas of the Council. The Team has developed comprehensive Procurement Guidance documents, which sets out in more detail how the Council's Contract Standing Orders (CSOs) are to be applied and practical advice. This Guidance is available via the Council's infonet.

The Corporate Procurement Team will give advice; guidance and support, seeking where appropriate specialist legal advice and guidance on all aspects of procurement law and practice from the Council's Legal Services.

WHO IS THE STRATEGY FOR?

Council Members	To guide, challenge and review the way procurement is applied at the Council
Harlow Senior Management Board	To manage their Service area in compliance with the principles and actions in the Strategy
Corporate Procurement	To support the Council's goals and objectives by implementing the Strategy across the Council
Key Stakeholders e.g. residents, contracting organisations, voluntary sector	To inform and give an understanding of the direction of procurement at the Council and its requirements.

THE PROCUREMENT FRAMEWORK

The Council's procurement activity is governed by the legislation set out in **Appendix 2**.

The Strategy will be delivered by reference to the key stages of the procurement process ("the Procurement Framework") which are outlined at **Appendix 1**. This sets out the Framework for achieving the Council's priorities and goals and will be supported by a suite of documents to give advice and guidance to Officers involved in procuring goods, works and services across the Council.

The Strategy applies to all procurements from routine low value to high value and complex projects. The Procurement Framework embraces the Council's vision and is split into five distinct areas briefly described below:

Stage 1 – Corporate Planning

This is the pre-procurement stage and covers the strategic overview of what the Council wishes to achieve, its corporate priorities and forward planning of each of the Service areas.

Stage 2 – Identify Needs and Options Appraisal

This stage will explore the opportunities for innovative procurement e.g. partnering, collaboration, sharing resources and the option for a service to be provided in-house by the Council. Service areas must act corporately in planning and conducting the procurement activity. Where appropriate, the potential purchasing power of the Council should be maximised.

Stage 3 - Market Engagement

The Council is committed to promoting a strong local economy by providing high quality information and advice to assist local businesses and engages with the market in a variety of ways e.g.

a) Website: Suppliers can register their interest in working for the Council and view current tender opportunities on the Council's procurement portal and existing contracts on the East of England Contracts Database. Tendering information and guidance is also available on the website.

b) Advertising: Public Procurement Regulations place a duty on Officers to publicise the Council's requirements to ensure that a fair and equal opportunity is offered

within the market. Adverts must be non-discriminatory and be sufficient to attract genuine competition. All opportunities (£25,000 and above) are advertised on the Council's procurement portal, Contracts Finder and any other appropriate media, unless the requisite number of Suppliers can be selected from a recognised Accredited Supplier List such as Constructionline. Contract Award Notices are published to alert the market and identify details of the winning bidder.

c) E-tendering: The Council administers a high percentage of its tendering activity via the MyTenders web portal. This streamlines the procurement process and enables Suppliers to have immediate access to tendering opportunities which can be downloaded at their leisure.

Reasonable steps will be taken to encourage a diverse and competitive supply market, including small firms, social enterprises, ethnic minority businesses, voluntary and community sector Suppliers by considering how the proposed procurement could:

- Make local improvements and how these could be delivered via the procurement process.
- Improve the economic, social and environmental well-being of Harlow and the surrounding areas.
- Promote equality, diversity and sustainability issues.
- Promote the Council's aspirations regarding the employment of apprentices and local employment on Council contracts.
- Promote through the provision "Transparency in Supply Chains", the role of businesses in preventing modern slavery from occurring in their supply chains and organisations

Local Suppliers will be encouraged to bid subject to the Council's minimum requirements in terms of qualifications, experience, financial and economic standing being met.

Stage 4 – Award and Implementation

This stage of the process is governed by the Council's rules and governing legislation. Public Relations opportunities should be utilised (where appropriate) to publish the new arrangements.

Stage 5 - Contract & Performance Management

Contracts will be managed and monitored by the Officer designated by the appropriate Head of Service. The responsible Officer shall be required to keep complete records during the lifetime of the contract and should monitor, as a minimum:

- a. Performance / KPI's.
- b. Compliance with specification and terms and conditions.
- c. Cost (keeping within budget and identifying savings).
- d. User satisfaction and continuous improvement.

COUNCIL'S ASPIRATIONS

The Council's Governance Expectation sets out, as far as it is able to do so under law how the Council will expect its Suppliers to act. The matters listed below and the extent to which they will be applied to any procurement must be proportionate and relevant to the contract.

General Data Protection Regulation 2016/679 (GDPR): The Council is committed to ensuring that personal data is processed, stored or shared as securely as possible and only for those purposes for which the personal data is collected.

To comply with its obligations we have in place processes and procedures to ensure compliance the GDPR. To ensure that when we enter into contracts that involve the sharing and processing of personal data that we follow the specific contractual obligations imposed by the GDPR. When entering into new contractual relationships or reviewing existing contracts in place on the 25 May 2018 these will be compliant with the requirements of Article 17 and Article 28 to Article 36 and Recitals 81 to 83 and relevant amendments or additions to the GDPR.

Modern Slavery Act 2015 (MSA): The Council is committed to doing what it can to combat slavery and prevent human trafficking within its business and supply chain. The Council's aspiration is to have a positive impact on the fair and safe working conditions of those working directly or indirectly for us and we expect our suppliers/contractors/partners to share our vision. The Council also acknowledges its duty to notify the Secretary of State of suspected victims of slavery or human trafficking in accordance with s.52 MSA and the Modern Slavery Act 2015 (Duty to Notify) Regulations 2015.

Due Diligence: The Council will use all endeavours to ensure that all suppliers have in place policies and procedures that address any workers legitimate concerns pursuant to governing legislation e.g. Health and Safety issues, Whistleblowing, Trade Union membership; and where appropriate include proportionate contract clauses in the Council's terms and conditions.

Living Wage: Every Council employee earns at least the Living Wage. The Council's vision is much wider and encourages all its Suppliers to pay the Living Wage through the procurement process.

Apprenticeship & Local Employment: The Council will encourage the employment of apprentices, local labour, employment and training opportunities through the procurement process and contract management.

Zero Hours Contracts: The Council will refuse (to the extent the law allows) the appointment of contractors who make use of zero hours contracts

Ethics: The Council will promote ethical behaviour and encourage Suppliers to use Fair Trade products, minimise the harm caused by trade and encourage good practice, recognise Trade Unions and seek to make a positive contribution to the local community through the procurement process and its contracts.

GOVERNANCE AND RESPONSIBILITY

The statutory framework and rules for procurement are set out in Contract Standing Orders (CSOs) and the Financial Regulations, which forms part of the Council Constitution. The roles and responsibilities are also set out in these documents. Compliance with the Strategy is compulsory.

A core part of the Council's corporate governance is risk management. In the context of procurement it is about ensuring procurement at the Council is delivered within a consistent structure, and that the Council makes decisions based upon a process that explicitly defines and supports better decision-making. This is achieved by providing a better understanding of the risks involved with procurement and their impact upon the Council.

In all their dealings, Councillors and Officers will preserve the highest standards of honesty, integrity, impartiality and objectivity in accordance with the Council's Constitution, Financial Regulations, Contract Standing Orders and Member's and Employee's Code of Conduct.

Where the procurement involves the potential transfer of an employee (TUPE), the Council shall take every care to ensure the transfer is handled in accordance with the advice and guidance published by the Department for Business Innovation and Skills (Labour Market).

All goods, works and services commissioned by the Council will operate within the requirements of the Council's Safeguarding Children Policy and meet the relevant legislative standards.

Heads of Service are responsible for procurement planning, decisions and the day to day activities in their Service areas in conjunction with the Corporate Procurement Team. The Head of Service shall designate an appropriately qualified and experienced Officer ("the Contract Manager") to manage and monitor contracts to ensure that the contract is fully implemented.

The **Corporate Procurement Team** is responsible for providing a comprehensive procurement service, technical expertise, advice, guidance and support. The Team will implement and monitor the Council procurement activities.

All procurement exercises involving expenditure of £5k and greater (this include goods, works and services subject to EU Procurement regulations) are subject to the advice and guidance of Corporate Procurement.

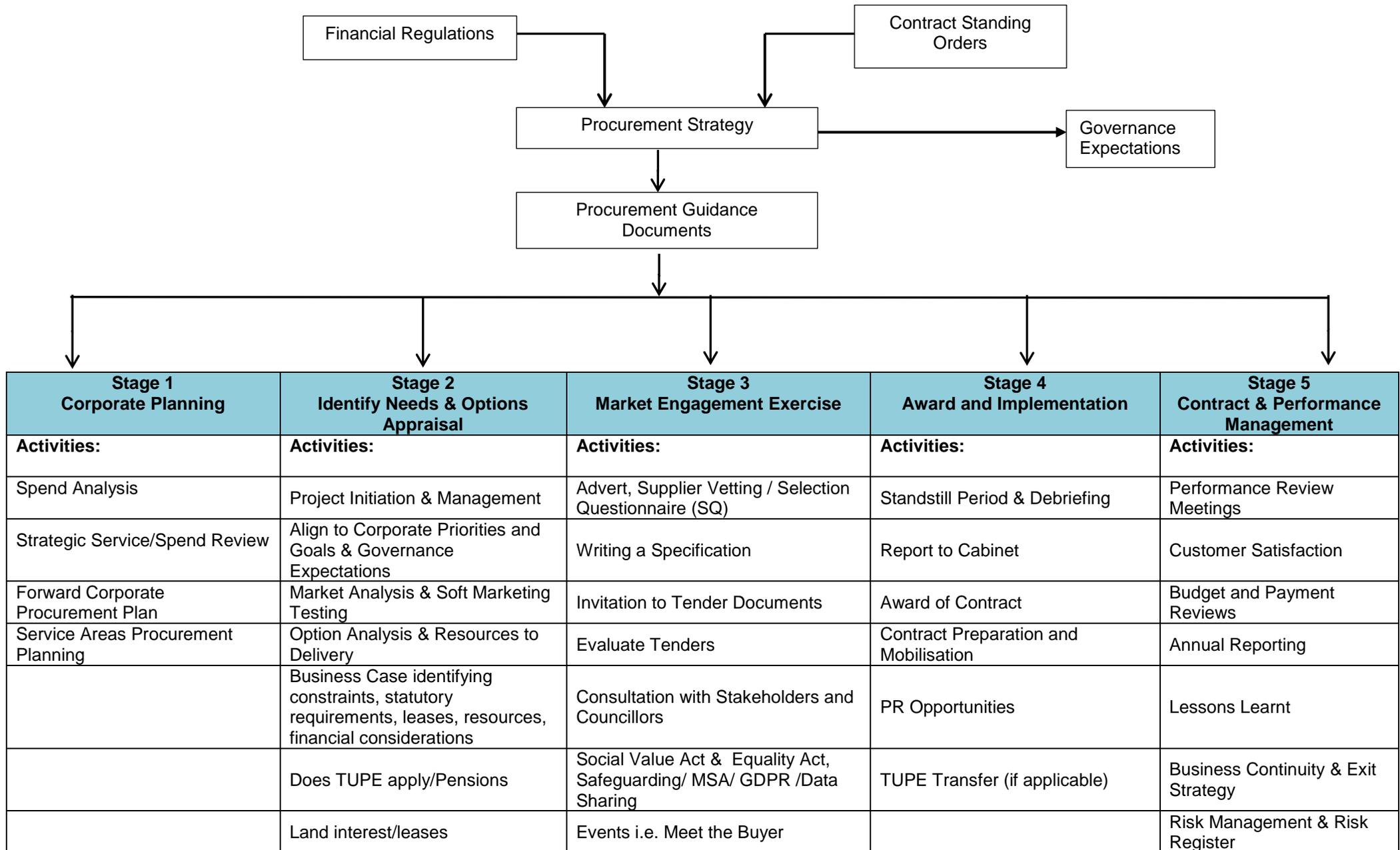
Supporting Documents

The Strategy will be supported by the Procurement Guidance documents and toolkit, which provides details of the systems, procedures and actions required to meet the requirements of this Strategy.

Monitoring & Review

The Strategy and associated policies will be reviewed annually to ensure that legislative and other changes are incorporated.

THE PROCUREMENT FRAMEWORK (Appendix 1)



LEGISLATION (Appendix 2)

The Council's procurement activity is governed by legislation including the following (this is not an exhaustive list):

European Union Public Contracts Directives 2014: Introduces changes that will provide a more modern, flexible and commercial approach to procurement. The Directives were implemented into national law through the Public Contracts Regulations 2015.

Public Contracts Regulations 2015: Introduce Major changes to the way the public sector procures goods and services. The changes to simplify the approach to procurement across all public sector authorities to enable small businesses to gain better and direct access to the public sector market and include:

- The removal of Pre-Qualification Questionnaire (PQQ) for low value contracts for the supplies and services; and a single and standardised PQQ (for the public sector) for above the European Union threshold.
- Promoting the payment of invoices with 30 days and these terms incorporated into the contract conditions; and late payment of invoices to first tier suppliers to be published annually.

Public Services (Social Value) Act 2012: The Act requires social, environmental and economic factors to be taken into account. Only factors relevant and proportionate to the subject of the proposed contract can be considered.

Localism Act 2011: A set of rights for communities. These are:

- Community right to challenge - allows voluntary and community groups, parish councils or two or more members of local authority staff to express an interest in running a service currently commissioned or delivered by a local authority.
- Community right to bid - allows communities to nominate buildings and land that they consider to be of value to the community, to be included on a local authority maintained list.

Equality Act (2010): Creates an umbrella for all equality and diversity legislation. In 2011, the Act introduced a Public Sector Equality Duty which required public bodies to consider how decisions and services may impact upon different groups in the community. Mechanisms are in place to ensure that Suppliers and the Council comply with Equality Act 2010 and the Public Sector Equality duty.

Local Government Transparency Code 2015: This places an obligation on Local Authorities to publish details of any contracts, commissioned activity, purchases orders, agreements and any other legally enforceable agreement with a value that exceeds £5,000.

Modern Slavery Act (MSA) 2015: The Act is the first of its kind in Europe and received Royal Assent on 26 March 2015. The Act consolidates slavery and trafficking offences and introduces tougher penalties and sentencing rules. Through the provision “Transparency in Supply Chains”, the Act seeks to address the role of businesses in preventing modern slavery from occurring in their supply chains and organisations. Specified public authorities (including the police and local authorities) have “a duty to notify” the Secretary of State of any individual encountered in England and Wales who they believe is a suspected victim of slavery or human trafficking.

Safeguarding: Harlow Council does not have a statutory responsibility for the protection of children (this lies with Essex County Council) but is obliged to perform certain functions that will help safeguard and promote the welfare of children in the area.

Sections 27 and 47 of the Children Act 1989 and Sections 10, 11 and 13 of the Children Act 2004 place a duty on public bodies, including District Councils, to make arrangements to promote co-operation between the authority and its partners in respect of Safeguarding matters; ensure that their functions are discharged with regard to the need to Safeguard and promote the welfare of children and young people and to participate in the work of local Safeguarding Children Boards.

Essex County Council also has a statutory responsibility to safeguard adults with care and support needs and Harlow Council therefore aligns its functions and processes to the Southend Essex and Thurrock Safeguarding Adults Guidelines.

Contracted services are required to evidence that they have robust safeguarding policies and procedures in place and these will be monitored regularly by the contract manager.

Contracts Standing Orders (CSOs) & Financial Regulations: CSOs are a requirement of Section 135 of the Local Government Act 1972. All procurement is undertaken within the Council's regulatory framework as set out in the Constitution, Contract Standing Orders and Financial Regulations.