



## 2021 Review

# Annual Procurement Appraisal and Framework

2020 – 2024

**In partnership with:**  
Melton Borough Council

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<b>Approved by:</b>	Melton Borough Council (MBC) Senior Leadership Team 12 <sup>th</sup> May 2020 MBC Finance Portfolio Holder Ronnie De Burle MBC Cabinet 15 <sup>th</sup> July 2020
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## **REVISIONS AND REVIEW INFORMATION**

<b>Version</b>	<b>Section/Number</b>	<b>Description of Change</b>	<b>Date approved</b>
1	-	New Appraisal and Framework approved	15/07/2020
2	1.2.3 3 4 5 6	Updates relating to Brexit  2021 Review: re-assessment against principles	07/04/2021

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# **1 Background**

## **1.1 Welland Procurement Team**

Welland Procurement provides a procurement service to the public sector – managing procurements, managing risk and helping to deliver quality and value. We support multiple public sector organisations, and are hosted by Melton Borough Council.

Our experienced team manage procurements across all categories and values. We recognise the importance of high quality procurement at a time when many public sector organisations find it hard to fund an in house procurement resource.

Our Procurement staff work across all members of Welland Procurement, to ensure best practice, collaboration and cost efficiencies.

This Procurement Appraisal and Framework has been written by Welland Procurement, and adopted by the Councils detailed at the front of this document.

The recent economic climate combined with national initiatives means that there is a continued focus on procurement to deliver high quality goods, services and works at the best possible value. This focus has resulted in a growing emphasis on streamlined, efficient and effective procurement processes that deliver whilst complying with relevant legislation and regulation.

## **1.2 Context**

### **1.2.1 The National Procurement Strategy**

The National Procurement Strategy was reviewed and updated in 2018 to build on Council's achievements under the 2014 Strategy. The focus has moved on from compliance and tactical issues, to areas that are now emerging priorities to local government:

- Showing leadership: engaging councillors and senior managers, working with partners and engaging strategic suppliers.
- Behaving commercially: creating commercial opportunities, managing contracts and relationships and managing strategic risk.
- Achieving community benefits: obtaining social value, engaging local Small and medium-sized enterprises (SMEs), and enabling Voluntary Community and Social Enterprise (VCSE) engagement.

The National Procurement strategy recognises that a “one size fits all” approach does not reflect the local needs, visions and priorities of individual Councils. However, by using the National “Key Areas” as a basis for this Appraisal and Framework, this will ensure the Council's approach to procurement can be tracked against nationally recognised standards.

This Annual Procurement Appraisal and Framework 2020 – 2024 looks to assess the Council against the themes and priorities within the 2018 National Procurement

Strategy, and set out clear commitments for the next four years. These commitments will be reviewed on an annual basis to monitor progress.

### 1.2.2 The Corporate Strategy 2020-2024

Melton Borough Council's Corporate Strategy considers what the Council's focus should be over the next four years, and sets out commitments to significantly invest in housing services, environmental enforcement, improving customer services and delivering the homes, jobs and infrastructure the Borough requires.

At a time of significant financial pressures, the need to prioritise and redirect resources to different areas is clear. With this in mind, this document seeks to find a balance between affordability and ambition, a balance between investing in core services and in new initiatives.

Whilst the Corporate Strategy summarises the Council's key priorities, this Procurement Appraisal and Framework sets out how Procurement can help the Council to achieve some of these priorities, along with recording an annual progress review from 2021 onwards.

### 1.2.3 Transforming Public Procurement – Green Paper

The proposals in this Green Paper are intended to shape the future of public procurement in this country for many years to come.

The government's goal is to speed up and simplify the UK's procurement processes, place value for money at their heart, and unleash opportunities for small businesses, charities and social enterprises to innovate in public service delivery.

It is recognised that the environment is fast-changing and that local and national developments, may require changes in the Appraisal and Framework. Reviews will be conducted on at least an annual basis, but if amendments to Procurement legislation are made prior to the next planned review date, this document will be reviewed to ensure it is in alignment.

### 1.2.4 COVID-19

The impact of Covid-19 on public sector organisations has been severe. Many are currently feeling the pressure, are in a state of uncertainty and will be looking at making urgent direct awards and extending existing contracts.

A Procurement Policy Note (PPN) has been published by the Crown Commercial Service which sets out provisions under the Public Contracts Regulations 2015 available to organisations that need to make urgent arrangements for supplies, services and/or works during the Covid-19 pandemic. The Council must keep proper records of decisions and actions on individual contracts, as well as publishing appropriate award notices and entries on to the Council's contracts register.

Maintaining current service provisions by extending contracts may prevent disruption and allow Council Officers, Welland Procurement and suppliers to deal with the current

situation. Delaying certain procurement processes will enable recovery plans to be established. It is unlikely that face to face events (such as market engagement, site visits, presentations and dialogue meetings) will be able to go ahead until the last quarter of 2021. There will be a greater need for the Council to switch to telephone conferences or virtual meetings beyond the end of this crisis, and adopt more resilient working practices.

Moving forward, the Council needs to ensure that strategic risk is considered as part of contract management, assessing the risks to the Council of future disruption and how to get back to 'business as usual'. Questions that should be addressed include:

- What are the biggest risks to the contract and the Council?
- What are the essential elements of the contract?
- What work can be done with suppliers to mitigate the risks?
- What are the fall back options for the contract? These may include identifying frameworks for direct award opportunities, assessing the ability for internal delivery or using Regulation 32 of the Public Contract Regulations for a direct award due to urgency
- Is there a business continuity plan in place, how regularly is it reviewed and what changes are being made to it in light of recent events?

## **2 Introduction**

This Procurement Appraisal and Framework will promote effective procurement across the Council, as well as summarising how the Council will adopt a strategic approach to sustainable procurement based on national and regional drivers, best practice and recommendations on sustainable procurement. Every aspect of the procurement process and practice must be aimed at delivering best value for the benefit of the people of the local area.

This document is a high level statement of principles and policies and is subject to the Contract Procedure Rules and is supported by the Procurement Toolkit, which sets out in more detail the procurement methods and practices.

Sections 3, 4 and 5 look at the "Key Areas" within the National Procurement Strategy 2018, and appraise the Council against each principle, setting out clear commitments for 2020-2024. These commitments will be reviewed on an annual basis to monitor progress.

### 3 Showing Leadership

#### 3.1 Engaging Councillors

##### Description

Councillors should be engaged in the leadership and governance of council procurement and commercial activity. This includes both the cabinet/portfolio holders and scrutiny members.

When Councillors are fully engaged with procurement and commercial matters, the quality of decision-making is better and oversight and accountability are improved. Among other things, Councillor engagement leads to better project delivery and better outcomes for the local community.

##### 2021 Appraisal

National Procurement Strategy Principle the Council is working at				
Minimum	Developing	Mature	Leader	Innovator
Councillors regard procurement and commercial issues as purely operational matters.	The council is exploring the best approach to councillor engagement in procurement and commercial matters.	Councillor engagement is delivering better results on some projects	Councillor engagement is delivering better results across all procurement and commercial activity	Councillor engagement is contributing to the success of a combined authority/group of councils project or another innovative project.

##### The Council's appraisal remains the same as for 2020, and is meeting this by:

- ensuring all Contracts go to the appropriate Committee and/or Cabinet where required, highlighting information and advice/guidance from Procurement
- ensuring Procurement is within the portfolio of a Cabinet member
- ensuring Members are involved in key procurement activity
- ensuring Members have the necessary skills to maintain oversight

##### Future focus and aspirations

This Appraisal does not look to the Council to be a Leader or Innovator within this area, as there is currently an appropriate balance between Councillor engagement, and ensuring a fair and transparent procurement process is run.

#### 3.2 Engaging Senior Managers

##### Description

It is key that Managers (at all stages of decision-making) benefit from procurement advice at early stages of a procurement process, ensuring a decisive impact on the outcome of a procurement exercise.

## 2021 Appraisal

National Procurement Strategy Principle the Council is working at				
Minimum	Developing	Mature	Leader	Innovator
Senior management regard procurement and commercial issues as purely operational matters.	The council is exploring the best approach to obtaining procurement and commercial input into decision-making.	Senior managers engaged with procurement and commercial issues, routinely taking advice at key decision points.	Council demonstrating better results from early procurement and commercial advice on projects	Council procurement and commercial advice valued by leaders of combined authority/group of councils projects or in connection with an innovative project.

### The Council has progressed from Mature (2020) to Leader (2021), and is meeting this by (\*items are new for 2021)

- engaging with all internal stakeholders to ensure a good definition of the requirements
- engaging with Welland Procurement prior to any procurement process, and involving the Procurement Lead in key decisions and meetings
- encouraging staff to engage with Senior Managers at the planning phase of a procurement process
- carrying out long term service planning with Welland Procurement
- engaging Senior Managers in the review and approval process of this Procurement Appraisal and Framework, which is aligned to corporate and service strategies
- \* holding training sessions with budget holders to ensure better engagement with procurement resulting in more informed decisions, covering:
  - o Procurement Awareness
  - o Contract Management
  - o Contract Procedure Rules
  - o Awarding a Contract via a Framework
  - o Modern Slavery Awareness
- \* early identification of procurement activity via annual service plans
- \* having specific key contacts within Welland Procurement, to establish open channels of communication

### Future focus and aspirations

The Council is looking to strengthen this assessment by encouraging steering groups to be set up early on for key projects, with Welland Procurement being invited to contribute.

This Appraisal does not look to the Council to be an Innovator within this area.

### 3.3 Working with Partners

#### Description

The aim is to have a “one team” approach to the design and implementation of procurement processes. The Council should strive to work as a single team to make the best use of limited resources and with departments working together, this can lead to innovative solutions and better results.

#### 2021 Appraisal

National Procurement Strategy Principle the Council is working at				
Minimum	Developing	Mature	Leader	Innovator
There are teams but they work in isolation from commercial and procurement advisers	Council acknowledges the business case for a cross council approach to design and implementation of solutions and is seeking to encourage this	Designing and implementing solutions as a single team in high value/high risk projects	Designing and implementing solutions as a single team is the council's normal way of working (policy).	Designing and implementing solutions as a combined authority or as a group of councils/ with health, fire, police, housing, VCSEs and other partners.

The Council has progressed from Developing (2020) to Mature (2021), and is meeting this by (\*items are new for 2021)

- engaging with all internal stakeholders to ensure a good definition of the requirements
- recognising the benefits of partnership working and the potential efficiencies
- \* seeking collaborative procurement opportunities with other members of Welland Procurement, particularly in relation to corporate contracts
- \* integrating the role of Procurement into the Council as standard practice through
- \* regular training opportunities covering:
  - o Procurement Awareness
  - o Contract Management
  - o Contract Procedure Rules
  - o Awarding a Contract via a Framework
  - o Modern Slavery Awareness
- \* having specific key contacts within Welland Procurement, to establish open channels of communication
- \* information being made easily accessible via the Welland Procurement Portal (highlighted as part of training events), internal Corporate Messenger and internal management meetings
- \* the creation of simple guidance to accompany the Contract Procedure Rules (internal Procurement Toolkit)

#### Future focus and aspirations

This Appraisal does not look to the Council to be a Leader within this area.



### 3.4 Engaging Strategic Suppliers

#### Description

This is an important exercise for the Council, as this can help improve performance, reduce cost, mitigate risk and harness innovation. This should be carried out across the Council's various departments to be most effective.

#### 2021 Appraisal

National Procurement Strategy Principle the Council is working at				
Minimum	Developing	Mature	Leader	Innovator
Firefighting. Ad hoc engagement with important suppliers usually when there is a problem to be resolved	Acknowledges business case for improved strategic supplier management and is piloting engagement	Delivering programme of engagement with strategic suppliers at council level.	Playing a leading role in a programme of engagement with strategic suppliers at combined authority/group of councils level.	Playing a leading role in programme of engagement with strategic suppliers at regional/national level.

#### The Council's appraisal remains the same as for 2020, and is meeting this by:

- engaging with incumbents as well as the wider supplier base on some key projects
- ensuring there is easily accessible useful information available on the Council's website, including:
  - o a suite of user guides for the eTendering system
  - o a link to the Council's current Contract opportunities
  - o an up to date Contracts Register
  - o details of the Council's tendering thresholds
  - o a link to the Contract Procedure Rules
  - o useful links for potential bidders (how to write a bid, tips to help SMEs etc.)
- ensuring that Contract Management includes:
  - o supplier performance
  - o cost
  - o financial status
  - o social value
  - o risk
  - o information on sub-contracting arrangements within the Contract

#### Future focus and aspirations

The Council's aim is to improve on this principle to become Mature by 2022 by:

- ensuring that all key projects have a pre-procurement market engagement phase with the objective of maximising level of competition as well as ensuring an appropriate service requirement is detailed in the specification and tender documentation
- ensuring that where appropriate, projects that have previously had limited interest from bidders, have a pre-procurement market engagement phase with

the objective of maximising level of competition as well as ensuring an appropriate service requirement is detailed in the specification and tender documentation

- looking into publishing a forward plan of work on the Council’s procurement pages ([Doing Business with the Council Website](#)) as well as on Find a Tender Service

## 4 **BEHAVING COMMERCIALY**

### 4.1 **Creating Commercial Opportunities (Income Generation)**

#### Description

As grants from central government are reduced, the Council needs to look at other means of reducing funding deficits.

#### 2021 Appraisal

<b>National Procurement Strategy Principle the Council is working at</b>				
<b>Minimum</b>	<b>Developing</b>	<b>Mature</b>	<b>Leader</b>	<b>Innovator</b>
Focused on business as usual and compliance	Some high value/ high profile acquisitions examined for creating commercial opportunities	Clear understanding of the ways in which new revenue generation opportunities can be created across the commercial cycle. End-to-end policies and processed promoting this approach in place across the organisation	Revenue generation and potential wealth creation is a standard part of all contract review meetings. Procurement staff are encouraged to enhance commercial skills and demonstrate commercial behaviours.	Organisations work collectively to identify and exploit new commercial opportunities through market Shaping and shared working with development partners Organisations see staff innovation and knowledge /information utilisation as commercial opportunity.

**The Council has progressed from Minimum (2020) to Developing (2021), and is meeting this by (\*items are new for 2021)**

- ensuring compliance, and standard cost/quality ratios for tendering
- ensuring performance reporting is undertaken; this is mainly restricted to savings made rather than commercial and social benefits achieved
- \* seeking collaborative procurement opportunities with other members of Welland Procurement

- \* ensuring that Contract Management includes:
  - o supplier performance
  - o cost
  - o financial status
  - o social value
  - o risk
  - o information on sub-contracting arrangements within the Contract

### Future focus and aspirations

The Council's aim is to improve on this principle over the next four years, and will seek to adopt a more commercial approach when reviewing Contracts. Some approaches that the Council will explore in order to strengthen the Developing assessment include:

- engaging Procurement lead in the planning phase, so that a procurement process can be discussed that can support the objectives/outcomes
- evaluating innovation within award criteria (as a standalone question), as long as this is discussed in the Specification, and with Welland Procurement
- looking at options for new revenue

## 4.2 Managing Contracts and Relationships

### Description

Contract and relationship management is the process by which all contracts and variations are managed effectively to control costs, secure the quality and timeliness of agreed outcomes and performance levels, and minimise the occurrence of risks. Poor contractor performance can seriously damage the Council's reputation and its ability to deliver effective services and support to local communities.

### 2021 Appraisal

National Procurement Strategy Principle the Council is working at				
Minimum	Developing	Mature	Leader	Innovator
Compliance driven. Reactive approach to contract and relationship management.	Identified the need to change and improve. Basic policies, procedures and systems in place.	All basic policies, procedures and systems in place to support contract and relationship management across the organisation and used in all departments.	Well-developed policies, procedures and systems in place to support contract and relationship management. Used to drive forward planning, cost control and contractor performance.	Contract and relationship management recognised by the leadership team as being essential to driving ongoing improvement and better service outcomes. Systems, procedures and staff delivering consistently high results.

### The Council has progressed from Mature (2020) to Leader (2021), and is meeting this by (\*items are new for 2021)

- ensuring contracts have a named Contract Manager for the entirety of the Contract
- ensuring that risks are identified for Contracts with a total value of £50,000 or more, and suitable contingency measures put in place
- monitoring overall performance of the Contract to ensure any issues of underperformance are addressed, and any areas of added value are identified as soon as possible
- \* ensuring relevant staff attend Contract Management training online (MIKE)
- \* introducing a “Guide to Contract Management” for staff to access and use
- \* having a dynamic electronic Contracts Register that is fully visible to the whole Council, with the benefits of:
  - o being able to be more pro-active in forward planning, so that there is sufficient review of Contracts
  - o central contacts within the Council to edit the Contracts Register
  - o fully visible to the public, with the ability to export information on current and expired Contracts
- \* ensuring that Contract Management includes:
  - o supplier performance
  - o cost
  - o financial status
  - o social value
  - o risk
  - o information on sub-contracting arrangements within the Contract
- \* ensuring variations to Contracts are reflected on the Contracts Register
- \* ensuring exemptions are captured centrally so that:
  - o spend against exemption value can be monitored
  - o cumulative value of exemptions can be monitored
  - o a central record for any FOI, audit or scrutiny requests can be used
  - o there is a record of transparency compliance in relation to the exemption (Contracts Finder Award Notice and Contract Register entry)

### Future focus and aspirations

This Appraisal does not look to the Council to be an Innovator within this area.

## 4.3 Managing Strategic Risk

### Description

The impact of external events (financial/reputational health of a supplier, changes to regulations/legislation etc.) should be mitigated against by the Council, to ensure the quality and continuation of services is not negatively affected.

## 2021 Appraisal

National Procurement Strategy Principle the Council is working at				
Minimum	Developing	Mature	Leader	Innovator
Compliance driven. Doing enough to meet statutory requirements.	Good awareness of issues involved and potential threats with basic systems in place to manage should they occur.	Taking a proactive approach to strategic risk management with all vulnerable areas identified and mitigating policies and plans in place.	All vulnerable areas identified and policies and plans in place and shared ownership, transparency and reporting with appropriate contractors.	Effective policies and plans in place in all areas, shared with contractors with contingency plans in place and active management of all strategic risks.

### The Council has progressed from Developing (2020) to Mature (2021), and is meeting this by (\*items are new for 2021)

- being a member of the Welland Procurement Unit, who:
  - o ensure that new Procurement legislation and regulations are circulated to all members, so that the Council can update and amend the Contract Procedure Rules
  - o ensure that their staff are kept up to date with knowledge and training in relation to Procurement regulations and legislation
  - o ensure that their staff can advise on a variety of procurement processes and options, to meet the expected outcomes of the Council
  - o ensure that guidance and templates are up to date to reflect best practice
- carrying out due diligence on preferred providers prior to Contracts being entered into (signed/sealed)
- monitoring spend on the Council's finance system against the Contracts entered onto the Council's Contracts Register, to mitigate the risk of off-contract spend
- \* ensuring systems are in place to target both financial loss and fraud with a proactive approach to issues such as irregular transactions, duplicate payments, and fake creditors/invoices
- \* providing Modern Slavery awareness training to staff, so that they can identify expenditure categories/ contracts which are at risk
- \* understanding the possible impact on all high value/risk contracts and ensuring contingency plans are in place in the event of contract failure, including identifying "back-up suppliers"

### Future focus and aspirations

This Appraisal does not look to the Council to be a Leader within this area.

## 5 Achieving Community Benefits

### 5.1 Obtaining Social Value

#### Description

Social value is the wider financial and non-financial impact to the wellbeing of individuals, communities and the environment from public sector contracts, over and above the delivery of services directly at no extra cost.

#### 2021 Appraisal

National Procurement Strategy Principle the Council is working at				
Minimum	Developing	Mature	Leader	Innovator
Compliant. Doing just enough to meet the conditions of The Act.	Compliant but only proactively seeking social value in a few key contracts only	Taking a proactive approach to integrating social value into procurement and commissioning.	Social value embedded into corporate strategy and have comprehensive frameworks for management and delivery	Social value is a core operational metric, integrated into all directorates/ departments and activities with regular reporting against targets.

#### The Council's appraisal remains the same as for 2020, and is meeting this by:

- using Welland Procurement to deliver innovative procurement processes, where appropriate
- reporting on use of (and spend with) local providers, via the Council's Contracts Register and Finance system

#### Future focus and aspirations

The Council's aim is to improve on this principle and become Mature over the next four years by:

- ensuring any procurement evaluation process considers areas such as localism, added value and/or sustainability factors
- ensuring soft market engagement takes into consideration what the market as a whole can offer, to ensure that the social value criteria within the Specification is proportionate and relevant to the Contract
- reserving service contracts (below public procurement threshold) to local/SME bidders (note this will be done on a case by case basis, as per the Council's Contract Procedure Rules)
- developing a Social Value Policy to include information on:
  - o improving Social Value of initiatives and consideration to lifetime benefits to individuals and communities
  - o measuring social value in both financial and non-financial terms against national Themes, Outcomes and Measures (as per the Social Value Portal), and the impact made to the community
  - o how Social Value links to the Council's Corporate Strategy

- assessing Contracts in advance of any procurement process for their potential contribution to social value objectives
- monitoring continuous improvements and performance in relation to the supplier's social value commitments (as per the tender documentation and submission)
- reporting on the progress and delivery of social value against any stated targets

## 5.2 Engaging Local SMEs and Micro Businesses

### Description

Small Medium Enterprises (SMEs) are businesses with fewer than 250 employees, and a turnover of less than £50million. Micro-businesses are businesses with 0-9 employees, and a turnover of less than £2million.

These businesses play a major role in creating jobs and generating income for those on low incomes; they foster economic growth, social stability and are a source of innovation.

### 2021 Appraisal

National Procurement Strategy Principle the Council is working at				
Minimum	Developing	Mature	Leader	Innovator
Council does not see any benefits to be gained from SME engagement.	SME organisations are engaged in a few key contracts only.	Taking a proactive approach to integrating SME organisations into procurement and commissioning.	SME engagement is embedded into corporate strategy.	SME engagement is a core operational way of doing business, integrated into all directorates/department and activities with regular reporting against targets.

### The Council's appraisal remains the same as for 2020, and is meeting this by:

- ensuring at least one of the suppliers invited to submit a quotation for Contracts valued £10,000 - £49,999 are local (where local means in the sub-region or region)
- being part of the East Midland Tender Portal, which ensures the Council's e-procurement system is effective, easy to use and matches those used by neighbouring Authorities
- maintaining a "Small Business Friendly Procurement Charter, Committing to support small businesses"
- breaking down Contracts into Lot, where it is appropriate to do so
- providing detailed, specific and timely feedback to all businesses that request it in order to improve a business's bidding capabilities

- maintaining an online Contracts Register, so that SMEs can approach current Providers regarding sub-contracting opportunities, as well as being able to plan for re-procurement exercises
- providing further information on the Council's website on how to tender, how to write a bid and other useful guidance
- adding standard Clauses within Conditions of Contract, so that if a Provider were to sub-contract, this would need to be done as per the Council's CPRs i.e. seeking quotes from local suppliers

### Future focus and aspirations

The Council's aim is to become a Leader in this principle over the next four years by:

- ensuring that regular training opportunities and supplier pre-engagement activity is available for small businesses
- ensuring SMEs are encouraged to collaborate with larger organisations to respond to local need
- audit of Contracts/quotations against the Council's Contract Procedure Rules to ensure staff are approaching local suppliers where appropriate
- reserving service contracts (below public procurement threshold) to local/SME bidders (note this will be done on a case by case basis, as per the Council's Contract Procedure Rules)
- look into publishing a forward plan of work on the Council's procurement pages ([Doing Business with the Council Website](#)) as well as on Find a Tender Service, to ensure SMEs have sufficient time to allocate resource for bidding

## 5.3 Enabling VCSE Engagement

### Description

Voluntary, Community Social Enterprise refers to organisations that include small local communities, voluntary groups, registered charities, foundations and trusts; otherwise referred to as third sector organisations.

### 2021 Appraisal

National Procurement Strategy Principle the Council is working at				
Minimum	Developing	Mature	Leader	Innovator
Organisation does not see any benefits to be gained from VCSE engagement.	VCSE organisations are engaged in a few key contracts only.	Taking a proactive approach to integrating VCSE organisations into procurement and commissioning.	VCSE engagement is embedded into corporate strategy.	VCSE engagement is a core operational way of doing business, integrated into all directorates/de partment and activities with regular reporting against targets.



**The Council's appraisal remains the same as for 2020, and is meeting this by:**

- ensuring that relevant Contracts utilise the Light Touch Regulations, so that procurement processes are adapted to be more flexible to the market needs as well as the intended outcomes for the service

### **Future focus and aspirations**

This Appraisal does not look to the Council to be rated Mature within this area, as the Council's current spend is not within this remit.

## **6 The Corporate Strategy 2020-2024**

Building on and linking with the Key Areas of the National Procurement Strategy, we have also set out how Procurement can help the Council to achieve some of their priorities, as set out within their Corporate Strategy (2020-2024).

“Key Priority 1 – Service excellence in all that we do”

### **Our focus**

- Review and improve processes and best possible experience for bidders, SMEs and local providers
- Best possible outcomes for our community and local area
- Invest in digital systems to improve services and increase productivity

### **What we have done 2021**

- Reviewed current templates, this document, available guidance and user guides to ensure up to date / accurate information is available, to incorporate best practice as standard
- Incorporated a lessons learnt discussion as part of internal team meetings, and on larger projects to ensure shared learning brings about the best possible outcomes
- Improved the Melton Borough Council Procurement pages, so that potential bidders have information to help them:
  - o View current opportunities
  - o Write and respond to a bid
  - o View sub-contracting opportunities
- Invested in an online Contracts Register tool
- Invested in full eTendering processes, to allow for online questionnaires

“Key Priority 2 – Providing high quality council homes and landlord services”

### **What we have done 2021**

- Supported Melton Borough Council in delivering the Procurements needed for the Housing Improvement Plan (this is an ongoing activity)

“Key Priority 3 – Delivering sustainable and inclusive growth in Melton”

### **Our focus**

- Encourage SME and local procurement, in line with the Contract Procedure Rules
- Ensure considerations are given to equality within a procurement process
- Promote Corporate Equality Objectives
  - o Engage and communicate in appropriate and accessible ways

- Develop and support a diverse workforce (being recognised as an employer of choice)
- Ensure services are in place or commissioned which are inclusive and responsive
- Foster good relations with and within the community (understanding difference and celebrating diversity)

### What we have done 2021

- Improved the Melton Borough Council Procurement pages, so that potential bidders have information to help them:
  - View current opportunities
  - Write and respond to a bid
  - View sub-contracting opportunities
- See [Engaging Local SMEs and Micro Businesses](#)
- See [Creating Commercial Opportunities \(Income Generation\)](#)
- Promoted service and corporate equality objectives being considered as part of any procurement process, by including this as a question within the “Procurement Initiation Document”. This will prompt the Council Officer to ensure details of the objectives are within the specification as Key Performance Indicators, detailing what is to be measured, how often and the format information is to be provided in
- Held training sessions with budget holders to ensure better engagement with procurement resulting in more informed decisions, covering:
  - Procurement Awareness
    - Contract Management (which highlighted mechanisms for the Contract Manager to monitoring the overall performance of the contract as well as identifying any risks (and ensuring appropriate contingency measures are in place). Part of this will be to ensure that the service equality objectives are delivered and monitored effectively)
  - Contract Procedure Rules
  - Awarding a Contract via a Framework
  - Modern Slavery Awareness

### What we will do

- Ensure that where the contract is valued between £10,000 and £49,999, at least one of the suppliers invited to submit a quotation is to be local, where local means in the sub-region or region
- Ensure Officers consider the below when going through a procurement process:
  - Identify both risks or opportunities for people with protected characteristics
  - Gain assurances on recruitment practices fulfilling equality obligations (for both bidders and their supply chains)
  - Identify where engaging with the appropriate local community (service group) would benefit the Contract and the wider community
  - Ensure proportionality so that we do not put smaller organisations at a disadvantage by placing unreasonable and disproportionate expectations on them (either within the procurement process itself, or any subsequent Contract)

- Reserve service contracts (below public procurement threshold) to local/SME bidders (note this will be done on a case by case basis, as per the Council's Contract Procedure Rules)

#### “Key Priority 4 – Protect our climate and enhance our rural, natural environment”

##### Our focus

- Council operations to become carbon neutral by 2030
  - o Sustainable procurement is an initiative where organisations meet their needs for utilities, goods and services in a way that minimises damage to the environment, while achieving value for money and benefitting not only the Council, but the community and the wider economy
  - o Sustainable practices can include everything from reducing supply chain emissions, reducing consumption and waste, improving energy efficiency, and sustainable transport

##### What we have done 2021

- Promoted climate objectives being considered as part of any procurement process, by including this as a question within the “Procurement Initiation Document”. This will prompt the Council Officer to ensure details of the objectives are within the specification as Key Performance Indicators, detailing what is to be measured, how often and the format information is to be provided in
- Ensured (where appropriate) the Council conducts whole life costing (environmental, social and whole life cost criteria are considered in the assessment of best value for money and in the evaluation criteria)
- Held training sessions with budget holders to ensure better engagement with procurement resulting in more informed decisions, covering:
  - o Procurement Awareness
  - o Contract Management (which highlighted mechanisms for the Contract Manager to monitoring the overall performance of the contract as well as identifying any risks (and ensuring appropriate contingency measures are in place). Part of this will be to ensure that the climate objectives are delivered and monitored; both in terms of the requirements of the Contract, alongside commitments made by the Provider as part of their Tender submission)
  - o Contract Procedure Rules
  - o Awarding a Contract via a Framework
  - o Modern Slavery Awareness

##### What we will do

- Ensure award criteria looks at environmental issues within the supply chain. These will vary between Contracts, as the criteria needs to be relevant
- Update this Appraisal and Framework in line with actions identified by the climate change working group

#### “Key Priority 5 – Ensuring the right conditions to support delivery”

##### Our focus

- Equipping and supporting staff to be able to run a compliant procurement process that results in Value for Money for the Council as well as delivering against the Council's Key Priorities
- Developing the Procurement Unit as a commercial proposition

### What we have done 2021

- Held training sessions with budget holders to ensure better engagement with procurement resulting in more informed decisions, covering:
  - o Procurement Awareness
  - o Contract Management
  - o Contract Procedure Rules
  - o Awarding a Contract via a Framework
  - o Modern Slavery Awareness
- Updated the Procurement Toolkit (available on the [Welland portal](#)) in line with best practice and feedback, to ensure it is easy to follow and understand
- Invested in full eTendering processes, to allow for online questionnaires
- Introduced an easy to follow process flowchart and “tick sheet” that will sit alongside the Contract Procedure Rules
- Developed a commercial approach for procurement consultancy support services, which has been provided to two Parish Councils to date
- Developed a commercial offer in relation to provision of an online Contracts Register, which has been offered to Council’s that currently buy annual services from Welland Procurement
- On-boarded Oadby & Wigston Borough Council, who have taken up a full time service provision from Welland Procurement

“Key Priority 6 – Connected with and led by our community”

### Our focus

- Promoting democracy and community involvement in Council decision making
- Embed services within communities and work with public and voluntary sector partners to create coherent, integrated and community based services

### What we have done 2021

- See [Showing Leadership](#)
- See [Achieving Community Benefits](#)
- See “[Key Priority 1 – Service excellence in all that we do](#)”

### What we will do

- Increase engagement with service user groups, the local community and other key stakeholder groups
- Increase soft market engagement, and ensure that it takes into consideration what the market as a whole can offer – this may include bidder days and training
- Look into publishing a forward plan of work on the Council’s procurement pages ([Doing Business With the Council Website](#)) as well as on Find a Tender Service, to ensure SMEs have sufficient time to allocate resource for bidding

## 7 SECURING VALUE FOR MONEY

Local Authorities are required to deliver value for money public services and ensure continuous improvement in the way that activities are carried out, having regard to a combination of efficiency, economy and effectiveness. Procurement has a crucial role to play in delivering the Council's strategic objectives and in improving the quality of the services delivered to the community. Government has highlighted that the development of a clear procurement Framework is a key step in achieving value for money and in delivering on the demanding efficiency targets that have become a part of central Government spending reviews.

In the context of this Appraisal and Framework and the procurement process, obtaining 'best value for money' means awarding a contract to a bid which provides the optimum combination of whole life costs and benefits to meet the customer requirements. This is not necessarily the lowest price bid and requires the evaluation of the ongoing resource/revenue costs as well as any initial capital investment. Consideration must be given to social, environmental, economic and other strategic objectives in evaluation of the bids.

Value for money and efficiency targets will not be achieved if the Council fails to approach competition positively, taking full account of the opportunities for innovation and genuine partnership. These are all available from working with others in the public, private and voluntary sectors.

Competition: legislation and the Council's own Contract Procedure Rules provide for competition at any value of procurement over £10,000. Even below that value there is a responsibility to ensure that value for money is considered. Whichever type of competition being used, it is conducted fairly, transparently, equitably and without discrimination.

E-Procurement: the use of an e-procurement system can help to streamline and simplify processes for both the Council and potential bidders. The Council has:

- Invested in an online Contracts Register tool
- Invested in full eTendering processes, to allow for online questionnaires

## 8 CONTACT DETAILS

If you have any questions or comments regarding this Procurement Appraisal and Framework, please contact:

### **Welland Procurement Unit**

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