



BCP Council Procurement & Contract Management Strategy 2024 – 2028

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Foreword by Leader and Chief Executive

We are pleased to introduce BCP Council's Procurement and Contract Management Strategy. This document reflects our commitment to innovation, transparency, and excellence in our public service delivery. We recognise the importance of adapting and enhancing our procurement practices to meet the dynamic needs of our community.

This strategy seeks to foster local economic growth and deliver substantial social value benefits. We are acutely aware of the critical role that procurement plays in driving economic development. By considering factors that impact local suppliers and businesses, we aim to create a thriving economic environment that benefits everyone in our community. Our strategy is designed to support local enterprises, encourage fair competition, and ensure that public spending contributes directly to the prosperity of our region.

We understand that every procurement decision we make has the potential to positively impact the social fabric of our community. By integrating social value considerations into our procurement processes, we are seeking to enhance community well-being, promote environmental sustainability, and support social inclusion. Our approach ensures that the benefits of our procurement activities extend beyond the immediate economic impact, fostering a more resilient and equitable society.

As we set out on this journey, we are committed to continuous improvement and learning. We will monitor and evaluate the implementation of this strategy and ensure that it remains responsive to emerging challenges and opportunities.

Thank you for your continued support and commitment to our shared vision. Let us move forward with confidence and determination, knowing that our efforts today will shape a brighter, more prosperous future for all.



1.Introduction and Background

*A Shared Vision for Bournemouth, Christchurch and Poole 2024-28*¹ is the Council's Corporate Strategy which sets the strategic direction for the organisation. The vision is where people, nature, coast and towns to come together in sustainable, safe and healthy communities.

Our priorities, as set out in our Shared Vision, are:

- **Our place and environment:** Vibrant places, where people and nature flourish, with a thriving economy in a healthy, natural environment.
- **Our people and communities:** Everyone leads a fulfilled life, maximising opportunity for all.

These priorities are underpinned by our approach to be an open, transparent and accountable council, putting our people at the heart of our services, with a set of clear guiding principles by which we work.

The council has responsibility for a wide range of services from caring for vulnerable residents, to enabling the safe enjoyment of our beaches. To a greater or lesser extent, the services we provide rely on the things we buy. Procurement and contract management therefore impacts:

- Council budget
- Quality of services

What we buy, who we buy it from and the way we go to market have environmental, economic and social impacts too.

The Council's guiding principles, set out in the Shared Vision, link strongly with the objectives set out in this Procurement and Contract Management Strategy:

- To drive best value
- To ensure fair and compliant procurement in accordance with regulations
- To leverage our social value priorities including:
 - local business growth and local employment
 - local skills development
 - local natural environment condition

¹ [Corporate strategy | BCP \(bcpCouncil.gov.uk\)](https://www.bcpCouncil.gov.uk/corporate-strategy)

Definitions:

- **Procurement** is the process of identifying and acquiring suitable goods, services, works and services/works concessions from a third-party vendor while ensuring timely delivery of the right quality and quantity.
- **Commissioning** is the process of acquiring services to meet the needs and aspirations of the local population. It includes determining the needs of the local population and designing services to meet those needs, in collaboration with internal and external partners and service users where appropriate.
- **Contract management** is a continuous process that ensures contracts are executed and managed with effective performance monitoring and delivery against contractual obligations. This includes negotiating any changes required. A good process optimises operational performance and ensures compliance with the terms and conditions, as well as documenting and agreeing on any changes or amendments that may arise during the life of the contract

1.1. The UK government has described the national procurement agenda in various complementary publications:

- **Green Paper: Transforming public procurement (2020)**² aims to speed up and simplify procurement processes, place value for money at the heart, and improve opportunities for small businesses, charities and social enterprises to innovate in public service delivery.
- **The Procurement Act 2023**³ and associated secondary legislation builds on and improves the standards described in The Public Contracts Regulations (2015)⁴.
- **National Procurement Policy Statement**⁵ (2021, updated 2024) is mandated by section 13 of the Procurement Act 2023 and sets out the strategic priorities for public procurement: value for money; social value; small and medium-sized enterprises; commercial and procurement delivery; and skills and capability for procurement.
- **The Sourcing Playbook (2019, updated 2023)** presents guidance within three key project phases:
 - **Define:** develop a strong understanding of our requirements and design a procurement process to encourage broad participation and innovation.
 - **Procure:** go to market and evaluate bids
 - **Manage:** manage the contract to ensure successful achievement of contractual outcomes.
- **Best Value Standards and Intervention - A statutory guide for best value authorities (2024)**, provides greater clarity how to fulfil the Best Value Duty. It includes the characteristics of a well-functioning local authority including procurement.

² <https://www.gov.uk/government/consultations/green-paper-transforming-public-procurement>

³ [Procurement Act 2023 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/2023/12)

⁴ The new regime will go live on the 28th of October 2024

⁵ [National Procurement Policy Statement - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/national-procurement-policy-statement)

1.2. The Local Government Association (LGA) published its latest **National Procurement Strategy in 2022** ⁶ focusses on three themes: Showing Leadership, Behaving Commercially and Achieving Community Benefits.

1.3. **BCP Council's Financial Regulations** (Part G) are revised annually to keep pace with changes to UK government regulations.

2. Purpose, principles, aims and objectives

2.1. The purpose of a Procurement & Contract Management Strategy is to:

- set out the corporate direction of travel for procurement and contract management
- support the delivery of the Council's corporate objectives
- support the delivery of the national priorities and meet our legislative obligations
- maximise the effectiveness of our spending power.

2.2. This strategy sets out the Council's principles, aims and objectives for our procurement and contract management activity for the period 2024 to 2028.

2.3. Our procurement and contract management principles are to:

- Contribute to the delivery and success of the Corporate Strategy, vision and priorities
- Comply with applicable laws, regulations, and policies governing public procurement
- Implement robust standard operating procedures that promote accountability, ethical conduct, and equality in the procurement process
- Ensure compliance with local, regional, and national procurement guidelines and standards
- Promote fair competition, transparency, and equal opportunities for all potential suppliers
- Integrate environmental, social, and economic considerations into procurement decisions
- Ensure value for money is secured whenever we spend money.

2.4. In Section 4, our aims and objectives are organised around four Themes:

- Theme 1 – Best Value
- Theme 2 – Fair and Compliant
- Theme 3 – Local Communities
- Theme 4 – Healthy and Sustainable

⁶ <https://www.local.gov.uk/publications/national-procurement-strategy-local-government-england-2022>

- 2.5. Our Corporate Strategy describes our operating model with centres of expertise, driven by data and insight, best practice and shared knowledge. The Procurement and Contracts Team is an identified centre of expertise.
- 2.6. In 2021, the Procurement Workstream of the Transformation Programme benchmarked organisational maturity at “Maturity Level 2” and assessed organisational target to be “Maturity Level 4” (Appendix 1). The Maturity Assessment focussed on six areas (bold) with Level 4 targets described below:
- **Functional Process:** The overwhelming majority of significant spend areas are subject to a standard strategic sourcing process or agreed frameworks. Fully standardised processes integrating cross-functional insights aligned with corporate strategy.
 - **People:** Strong business partner and strategic sourcing and commissioning acumen, shared accountability for results and procurement and commissioning strategy (near and long term) in place.
 - **Service Delivery Model:** Centrally directed and aligned across service areas to drive strategic sourcing across the organisation. Collaboration between partners and stakeholders with the procurement and commissioning teams.
 - **Technology:** Extensive use of integrated enabling applications in the management and execution of sourcing and contract management.
 - **Performance Insights & Data:** Spend analysis continuously updated. Data is error free. Structured reporting performance process with defined KPIs and thresholds in place.
 - **Governance & Controls:** Organisation-wide standards consistently applied, continuously challenged and improved; performance monitoring of maverick and off-contract spend.

3. Scale of procurement activity and approach

- 3.1. In 2023/24, the Council spent circa £591 Million buying a diverse range of works, goods and services from 4,829 suppliers to support the delivery services to residents, businesses and stakeholders.
- 3.2. In 2023/24, 55.55% of our spend (i.e. circa £328M) was with local employers (i.e. based in BH, DT and SO postcodes [as per BCP’s Financial Regulations]). BCP’s local spend performance is above the southwest regional authority average of 45%⁷.
- 3.3. The Procurement and Contract Management Team consists of 24 procurement and contract management professionals with a vast and diverse amount of experience and knowledge. The team operates a category management approach ensuring a cross-Council, holistic view, of all our spend areas ensuring value for money and joined up thinking in the procurement of goods, services, works and concessions.

⁷ Tussell Report dated 2022 [Analysis of Local Government Spending w ith Local Suppliers](#)

- 3.4. Category Management is a strategic approach to procurement allowing us to segment our spend requirements into areas which contain similar or related service provisions, enabling us to identify opportunities for consolidation and efficiency

4. Aims and Objectives

Theme 1 – Best Value

<p>Supplier engagement: We believe early and ongoing engagement with suppliers can help us find innovative ways of delivering services and attract a broader range of options from suppliers.</p> <ul style="list-style-type: none"> • We will publish a pipeline of the contracts we expect to procure, to make it more likely that potential suppliers will be prepared to submit bids. • We will engage with supply markets early when appropriate, to seek new and innovative ideas and understand what is possible and to choose the most effective procurement approach. • We will make our communications and processes between the Council and Suppliers as simple and accessible as we can, to encourage a diverse range of suppliers to engage and deliver services to us. • We will support colleagues in care provision to analyse patterns of spend to inform market development and better manage risk. • We will proactively identify and engage with potential suppliers in order to maximise potential for competitive tendering and achieve best value in terms of cost for service outcomes.
<p>Innovation and collaboration: We believe collaboration and innovation are essential for us to deliver services within budget.</p> <ul style="list-style-type: none"> • We will seek to set up flexible contracts and use proactive contract management to drive continuous improvements in cost, quality and service outcomes throughout the life of a contract. • We will focus on the outcome required when inviting bids from potential suppliers, to encourage flexibility and innovation in the approach taken by suppliers to achieve our goals. • We will seek to collaborate both across our organisation and regionally with cities, towns and other local authorities to reduce duplication and stimulate innovation from our suppliers.
<p>Competition: We believe that fair supplier competition and making the most of our economies of scale are the best ways of getting - and showing we've secured - good value for public money.</p> <ul style="list-style-type: none"> • We will optimise use of our e-procurement portal to advertise opportunities and encourage bids from the market.

<ul style="list-style-type: none"> • We will put frameworks and organisation-wide contracts in place to benefit from economies of scale, enable us to react swiftly as needs arise and allow us to reduce bureaucracy for both suppliers and the Council.
<ul style="list-style-type: none"> • We will monitor suppliers who are awarded contracts to ensure they deliver commitments made on savings, value for money and added value.

Contract Management: We believe that fair and robust contract management is essential to ensuring we get good value for public money and achieve the outcomes we need. Good contract management practice will ensure that:
<ul style="list-style-type: none"> • We will ensure that systems and processes are in place to ensure we are consistent and proportionate in the way we manage suppliers and contracts.
<ul style="list-style-type: none"> • We will ensure arrangements are in place to allow contract managers to monitor delivery performance, and to allow either the Council or the supplier to raise and resolve any issues.
<ul style="list-style-type: none"> • We will put change and risk management processes in place to allow us to identify and manage any changes that may be needed or risks that may emerge during the life of the contract.
<ul style="list-style-type: none"> • We will ensure that contracts approaching their end date are reviewed against current needs and offered to the market in good time, so as to ensure best value in terms of cost for services outcomes.

Data & reporting: We believe that high quality data and reporting are essential for us to monitor and improve the outcomes we get from our procurements and contracts.
<ul style="list-style-type: none"> • We will use data to identify lessons learned and seek to continuously improve the way procure and manage contracts.
<ul style="list-style-type: none"> • We will ensure contract managers are responsible for tracking and reporting on contractual performance, as well as for addressing any under-performance.
<ul style="list-style-type: none"> • We will ensure that systems, processes and reporting mechanisms are in place to give decision-makers clear oversight of money spent, contract management activity and contractual performance.

Theme2 – Fair and Compliant

High standards: We believe that as a public body we have a responsibility to set and meet high standards in the way we procure and manage our contracts.
<ul style="list-style-type: none"> • We will comply with all relevant UK legislation, including public procurement law.
<ul style="list-style-type: none"> • We will maintain our own procurement operating procedures which will set the procurement and contract management standards for our officers and Members to follow.
<ul style="list-style-type: none"> • We will take a professional and consistent approach to procurement and contract management, with expertise, best practice and training provided centrally.
<ul style="list-style-type: none"> • We will ensure that there is sufficient procurement and contract management capacity and capability to ensure taxpayers' money is spent effectively and efficiently.

Fair and professional: We believe that being a fair and professional customer results in more effective, resilient, and innovative service delivery from our suppliers.
<ul style="list-style-type: none"> • We will seek to pay our suppliers promptly and offer options for early payment in accordance with the legislation.
<ul style="list-style-type: none"> • We will aim to work in partnership with our suppliers but we will challenge underperformance.
<ul style="list-style-type: none"> • We will clearly communicate the Council's procurement rules and processes and make working with the Council as easy as we can.
<ul style="list-style-type: none"> • We will put systems and processes in place to enable contract performance to be monitored in a consistent and transparent way, so that suppliers are aware of the Council's expectations and feel the process is fair.

Trustworthiness: We believe that it is crucial that we maintain the trust of both the public and suppliers in the way the Council spends public money.
<ul style="list-style-type: none"> • We will ensure that all procurement processes are run fairly and provide feedback to help all bidders understand our decisions.
<ul style="list-style-type: none"> • We will ensure we have robust processes to deal with any conflicts of interest or allegations of favouritism.
<ul style="list-style-type: none"> • We will ensure that higher value contracts are openly advertised whenever possible, to ensure all suppliers have a fair opportunity.
<ul style="list-style-type: none"> • We will comply with all relevant legal obligations to embed proportionate safeguarding requirements in commissioning, procurement and contract management activities.

Transparency: We believe publishing data about our procurement and contract management activity will help suppliers understand opportunities to win contracts with the Council and can support appropriate scrutiny of what we do.
<ul style="list-style-type: none"> • We will comply with all relevant legal obligations to publish information about our procurement activity and contracts.
<ul style="list-style-type: none"> • We will respond to Freedom of Information requests promptly in-line with our legal responsibilities.
<ul style="list-style-type: none"> • We will seek to publish additional information about our procurement intentions and policies to help suppliers plan their own activities, particularly focussing on encouraging local, smaller SME and VCSE organisations.

Accountability: We believe that as a public body we must be accountable, and that scrutiny can help us improve the way we do things.
<ul style="list-style-type: none"> • We will aim to ensure that the appropriate Council officer is able to make a timely, informed, and auditable decision before we start a procurement process, enter into a contract or make changes to a contract.
<ul style="list-style-type: none"> • We will ensure that we will recognise and seek to learn from any instances when we do not meet the high standards we set ourselves.
<ul style="list-style-type: none"> • We will provide data, insights, and training to support Directors in fulfilling their accountability for compliance in the service area they are responsible for; and enable members to scrutinise our performance.

Theme3 – Local Communities

Skills development: We believe that local people being in high quality employment can transform the lives of individuals, families and communities.

- We will seek commitments from our suppliers, where proportionate and relevant, to skills development, via employment of apprentices and the provision of training and development opportunities to their local employees.

Local suppliers: We believe we have highly skilled and competitive suppliers in BCP, and we want them to grow, develop and create more local employment.

- We will ensure that local and regional suppliers are given appropriate opportunities to bid for our contracts, particularly focussing on micro, small medium enterprises and Voluntary, Community and Social Enterprises.
- We will work with local suppliers to build their knowledge and experience (e.g. in relation to the needs and priorities of public sector customers), to help them grow by winning contracts with other organisations.
- We will explore the benefits and practicalities of the Council acting as an “anchor” in an “anchor procurement partnership” for the BCP area.

Engagement: We believe that engaging with stakeholders will make for better outcomes for the communities.

- We will involve community stakeholders, voluntary and community sector organisations and other interested parties when we consult on what service is needed and how best to deliver service.
- We will work with suppliers and representative groups to help local suppliers understand our procurement processes, decide if public sector contracts are right for them, if they are ready to bid and how to submit strong bids.
- We will actively seek feedback from local suppliers to understand and reduce barriers that may prevent them from winning contracts with us, as well as seeking their views on changes to our policies and processes.
- We will actively seek feedback from suppliers who win contracts with us to seek their views on our contract management processes.

Supplier diversity: We believe it's important that the suppliers who deliver services to BCP support our equality, diversity and inclusion aims.

- We will ensure that before we procure a contract, we will meet our responsibilities to consider equality, diversity and inclusion impacts and how we can put plans in place to reduce or remove any risks - and we will ensure that our suppliers share our commitment to these values.

Partnerships: We believe that we can only achieve our goals for BCP by working closely with a wide range of private, public and voluntary organisations.

- We will seek to play a strong role in collaborating with partner organisations - particularly in BCP and the Southwest - focussing on knowledge sharing, joint policy development and procuring joint contracts to reduce duplication and take advantage of greater economies of scale.

Theme 4 – Healthy, Safe and Sustainable

<p>Health: We believe we can have a positive impact on the health, safety and wellbeing of BCP's citizens.</p> <ul style="list-style-type: none"> • We will consider the health, safety and well-being of children and young people in BCP through our placements using mandatory requirements and/or scored quality criteria. • We will consider and promote the health, safety and well-being of people of all ages in BCP through our procurement activity using social value criteria to leverage benefits where relevant and proportionate. • We will explore the benefits and practicalities of the Council commissioning a Local Needs Analysis (LNA) to identify the Council's corporate social value priorities to be leveraged via procurement. In the absence of a LNA, we will seek to leverage social value benefits via: <ul style="list-style-type: none"> ○ The Council's DIA Sustainability Impact Assessment ○ Application of Government Buying Standards ○ Adaptation of standard metrics from the Social Value Portal's national TOMs
<p>Environment: We believe the Council's suppliers have an essential role to play in helping the Council reach its target of being a carbon neutral Council by 2030 and conurbation by 2045.</p> <ul style="list-style-type: none"> • We will contribute to the delivery of the BCP commitments to identify and consider opportunities to tackle climate change and reduce waste in the Council's supply chain. • We will take a targeted approach to determine the categories of works, goods and services with the highest impact upon the environment and take this into account when evaluating suppliers and awarding contracts, whenever it's appropriate and possible for us to do so. • We will build environmentally sustainable delivery into our contracts and contract management processes.
<p>Our wider impact: We believe we have a responsibility to consider the impact that the goods, services and works that we buy might have on people around the world, even if it is not always visible to us.</p> <ul style="list-style-type: none"> • We will meet our obligations under the Modern Slavery Act 2015 to seek to ensure slavery, human trafficking and forced or compulsory labour does not occur at any point of the supply chain. • We will ensure the suppliers we spend with, support the Council's commitment to tackling modern day slavery.

5. Delivery, monitoring and review

- 5.1. The Council's Cabinet is responsible for approving this strategy.
- 5.2. The Procurement and Contract Management Team is responsible for implementing this strategy with governance overview and support from the Procurement and Contracts Board.
- 5.3. The Procurement & Contract Management Team will provide appropriate guidance and training and to Council Officers and Members.
- 5.4. Delivery of this strategy will be managed through a Delivery Plan approved by the Procurement and Contracts Board with progress reported to Audit and Governance at 6-month intervals.
- 5.5. Progress in the delivery of the Strategy will be evidenced through the following measures:
 - Increase the number of staff engaging with the Procurement Service as soon as a need to procure is identified.
 - Increase in the number of pre-procurement market engagement activities undertaken.
 - Increase in local spend and number of contracts awarded to local suppliers.
 - Increase in the number of contracts awarded to small and medium-sized enterprises (SMEs).
 - Increase the number of contracts that seek to leverage social value benefits.
 - Reduce the number of multiple contracts for the same or similar council requirements.
 - Increase the percentage of spend that is categorised as on-contract spend (as opposed to off-contract spend).
 - Increase the level of savings attributable through effective procurement.
 - Reduction in the number and value of contracts extended without being reviewed and offered to the market.
- 5.6. The Council will consider its capacity for procurement and contract management to deliver value for money. Capacity issues will be escalated to the Procurement and Contracts Board.
- 5.7. **Next Review:** April 2026.

Appendix 1 – Maturity Assessment and targets



Executive Maturity Assessment Results

Overall, the Executive Maturity Assessment results show that the Council is looking to move from "Maturity Level 2" to "Maturity Level 4".

2.1 Average current state score

3.8 Average future state ambition score

