

Agenda Item No:	12	
Committee:	Full Council	
Date:	19 May 2025	
Report Title:	New Procurement Strategy	

COVER SHEET

1 Purpose / Summary

- 1.1 The purpose of this report is to consider the implementation of a New Procurement Strategy to align to the Council's Business Plan.
- 1.2 Procurement is the process of acquiring goods, works and services, covering both acquisitions from third parties and from in-house providers. The process spans the whole cycle from identification of needs, through to the end of a services contract or the end of a useful life of an asset

2 Key Issues

- 2.1 Excluding salary related costs and other costs which have no procurement requirements (e.g. business rates, internal drainage board levies etc.), in 2023/24 the Council spent over £8.8 million with third party suppliers and contractors on revenue activities. In addition, the Council spent around £15.8 million on capital projects. Procurement therefore has a significant role in ensuring that the Council obtains best value for money from its expenditure.

3 Recommendations

- 3.1 It is recommended that Council agrees to implement the draft Procurement Strategy at Appendix A with effect from 19th May 2025.

Wards Affected	All
Forward Plan Reference	N/A
Portfolio Holder(s)	Cllr Boden – Leader of the Council
Report Originator(s)	Shaun Beales – Purchasing & Procurement Manager Amy Brown – Assistant Corporate Director
Contact Officer(s)	Shuan Beales – Purchasing & Procurement Manager sbeales@fenland.gov.uk Amy Brown – Assistant Corporate Director amybrown@fenland.gov.uk
Background Papers	

1 Introduction and Context

1.1 This Procurement Strategy (the Strategy) is not a procurement manual, nor is it a set of purchasing procedures or a policy document. It is a roadmap to manage the procurement function, setting out a framework to contribute to the achievement of the Council's overall strategic business objectives. The detailed procedures for letting contracts, and ensuring compliance with policy and legislative requirements, are set out in the Council's Code of Procurement, which complements this document. The Code of Procurement was approved by Full Council on 30th September 2024 and can be found via the following link: [Report and appendices.pdf](#).

1.2 The Council aims to implement the following guiding principles in its procurement strategy activities:

- Consider the impact of all major procurements on the achievement of the strategic priorities of the Council.
- Continue to promote procurement opportunities to the local economy and to assist businesses and employment within Fenland, wherever practicable.
- Apply the principles of Best Value, fairness, openness and transparency to all activities.
- Ensure that all procurement activity is efficient and seeks and obtains value for money for the Council.
- Maximise mutual advantage and continuous improvement in relations with suppliers.
- Consider the potential for innovation, the management and balance of risk, and the opportunity for new or alternative methods of service delivery. This includes considering options for Partnering, Shared Services, Outsourcing and in-house provision.
- Work with others including strategic partners, public sector agencies and consortia to maximise purchasing power and harness knowledge and the economies of scale.
- Incorporate sustainability, equality, diversity, quality, social responsibility and safety as important criteria in the provision of all services procured.
- Operate within the framework determined by the laws of England and Wales and those outlined within the Council's own Financial Regulations and Standing Orders.
- Preserve the highest standards of honesty, integrity, impartiality and objectivity in all dealings. Comply with transparency legislation in regard to publishing its procurement and spend activities.
- Utilise competition as a means of achieving economy, efficiency and effectiveness, wherever appropriate, and seek to ensure that this

contributes to the competitiveness of suppliers, contractors and service providers.

- Ensure that procurement activity is customer focused, involving internal consultation and involvement to support service objectives. Feedback will be sought, and customer satisfaction measured as a means of improving performance.
- Consult end Service Users, where appropriate, to ensure that the service meets their needs, especially where decisions directly affect their lives.
- Explore collaborative procurement opportunities both internally and regionally.

1.3 To support the Council's Business Plan the Procurement Strategy mirrors the Council's corporate priorities and underpins them with procurement key themes as below: Each priority and key theme are explained in Appendix A.

- **Communities** – Underpinning Key Theme – **Social Value**
- **Environment** – Underpinning Key Theme – **Climate Change and Carbon Reduction Strategy**
- **Economy** – Underpinning Key Theme – **Support to Local Businesses and SME's**
- **Quality Organisation** – Underpinning Key Theme – **Good Governance**
- **Transformation** - Underpinning Key Theme – **Transformational Programme**
- **Fenland Inspire** – Underpinning Key Theme – **All of above**

1.4 In regard to the Fenland Inspire! project, over the next three years, the Council will have the opportunity to impact its local economic growth through its capital spend programme.

1.5 The Council will need to have due regard to the National Procurement Policy Statement (NPPS). The NPPS places a statutory obligation on contracting authorities to have regard to its policy priorities and determine how procurements can contribute to the delivery of these wider policy objectives. Cabinet Office guidance has set out what this means in practice. This means that a contracting authority must consider whether the procurement can contribute to achieving one or more of the policy objectives stated in the NPPS in a manner that is appropriate, proportionate and relevant; and take steps to address this where possible.

1.6 While contracting authorities have a duty to consider whether and how to address the (NPPS) policies, there is no absolute obligation to do so. There may be cases where the priorities are irrelevant to a specific procurement, or it would be disproportionate to introduce measures to address them. This

decision not to address one or more of the policies will be procurement specific as will the means by which any policies to be considered are incorporated into a procurement. The Fenland Procurement Strategy documents our thinking on what principles we will aim to implement into our procurement activities when and where appropriate.

2 REASONS FOR RECOMMENDATIONS

- 2.1 It is recommended that Full Council adopt the New Procurement Strategy to provide a roadmap to help the Council deliver its priorities. It is **NOT** designed to reduce or impede the Council's ability to react to unexpected and urgent requirements. It is designed to help meet Members' ambitions in regard to the Council's Business Plan. The underpinning themes are a positive contribution in meeting its business needs and the needs of the local residents of Fenland.

3 CONSULTATION

- 3.1 There are no formal consultation requirements connected with the proposed changes however feedback has been sought from key stakeholders to include group Leaders and officer colleagues.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Alternative options in the context of this Report include:
- (a) Not having a Procurement Strategy. This has been ruled out as an option due to the importance of the Council's Business Plan and delivery objectives. A Procurement Strategy is required to support the Business Plan priorities and objectives, to demonstrate the Council's procurement principles and to demonstrate value for money across all its activities.

5 IMPLICATIONS

5.1 Legal Implications

- 5.2 The Council, as a contracting authority, is required to comply with current public procurement legislation. Although this does not mandate having a Procurement Strategy it is recommended that the Council's thinking is documented to show where it may align and differ from the National Procurement Policy Statement (NPPS).

5.3 Financial Implications

- 5.4 There are no specific financial implications connected with the proposed revisions to the Code of Procurement.

5.5 Equality Implications

5.6 There are no specific equality implications connected with the proposed revisions to the Code of Procurement.

6 Appendices

Appendix A – Draft Procurement Strategy.



Procurement Strategy

2025-2028

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Summary

Introduction

Fenland District Council (the **Council**) defines procurement as, “the acquisition of works, services, and goods, which meet the customers’ and service users’ needs, whilst ensuring value for money throughout the life of the product, including disposal”.

This Procurement Strategy (the **Strategy**) is not a procurement manual, nor is it a set of purchasing procedures or a policy document. It is a roadmap to manage the procurement function, setting out a framework to contribute to the achievement of the Council’s overall strategic business objectives. The detailed procedures for letting contracts, and ensuring compliance with policy and legislative requirements, are set out in the Council’s Code of Procurement, which complements this document. The current Code of Procurement can be found on the Council’s Intranet www.fenland.gov.uk/procurement.

Excluding salary related costs and other costs which have no procurement requirements (e.g. business rates, internal drainage board levies etc.), in 2023/24 the Council spent over £8.8 million with third party suppliers and contractors on revenue activities. In addition, the Council spent around £15.8 million on capital projects. Procurement therefore has a significant role in ensuring that the Council obtains best value for money from its expenditure.

Procurement is the process of acquiring goods, works and services, covering both acquisitions from third parties and from in-house providers. The process spans the whole cycle from identification of needs, through to the end of a services contract or the end of a useful life of an asset.

The Strategy recognises that different models and approaches will be required for the very different and divergent services that the Council has responsibility for.

This Strategy sets out additional considerations, connecting with the Council’s overall strategies and objectives, and how procurements, where appropriate, can be tailored to assist the Council in better fulfilling those strategies and achieving those objectives.

Guiding Principles

The Council aims to implement the following guiding principles in its procurement strategy activities:

- Consider the impact of all major procurements on the achievement of the strategic priorities of the Council.
- Continue to promote procurement opportunities to the local economy and to assist businesses and employment within Fenland, wherever practicable.
- Apply the principles of Best Value, fairness, openness and transparency to all activities.
- Ensure that all procurement activity is efficient and seeks and obtains value for money for the Council.
- Maximise mutual advantage and continuous improvement in relations with suppliers.
- Consider the potential for innovation, the management and balance of risk, and the opportunity for new or alternative methods of service delivery. This includes considering options for Partnering, Shared Services, Outsourcing and in-house provision.
- Work with others including strategic partners, public sector agencies and consortia to maximise purchasing power and harness knowledge and the economies of scale.
- Incorporate sustainability, equality, diversity, quality, social responsibility and safety as important criteria in the provision of all services procured.
- Operate within the framework determined by the laws of England and Wales and those outlined within the Council's own Financial Regulations and Standing Orders.
- Preserve the highest standards of honesty, integrity, impartiality and objectivity in all dealings. Comply with transparency legislation in regard to publishing its procurement and spend activities.

- Utilise competition as a means of achieving economy, efficiency and effectiveness, wherever appropriate, and seek to ensure that this contributes to the competitiveness of suppliers, contractors and service providers.
- Ensure that procurement activity is customer focused, involving internal consultation and involvement to support service objectives. Feedback will be sought, and customer satisfaction measured as a means of improving performance.
- Consult end Service Users, where appropriate, to ensure that the service meets their needs, especially where decisions directly affect their lives.
- Explore collaborative procurement opportunities both internally and regionally.

Central Government Priorities, Legislation and the National Procurement Policy Statement.

The Government's transforming public procurement and the Procurement Act 2023 went live on 24th February 2025. The legislation aims to improve the way public procurement is regulated in order to:

- Create a simpler and more flexible, commercial system that better meets our country's needs while remaining compliant with our international obligations.
- Open up public procurement to new entrants such as small businesses and social enterprises so that they can compete for and win more public contracts.
- Embed transparency throughout the commercial lifecycle so that the spending of taxpayers' money can be properly scrutinised.

The National Procurement Policy Statement (NPPS).

The NPPS is a statutory statement which allows the Government to set and communicate the wider policy objectives to which it expects public procurement to contribute. This might include, for example, objectives to increase skills or jobs in a certain industry or area, or to align with the pledge to achieve net zero by 2050. In 2021/2022 public procurement made up about a third of public sector spending; it can therefore have a large impact on the achievement of these wider objectives.

The NPPS places a statutory obligation on contracting authorities to have regard to its policy priorities and determine how procurements can contribute to the delivery of these wider policy objectives. Cabinet Office guidance has set out what this means in practice. This means that a contracting authority must consider whether the procurement can contribute to achieving one or more of the policy objectives stated in the NPPS in a manner that is appropriate, proportionate and relevant; and take steps

to address this where possible. This could include, for example, changes to the way the procurement is structured or the process is carried out, the specification of the goods, services or works to be purchased, or the award criteria which will determine the most advantageous tender.

While contracting authorities have a duty to consider whether and how to address the policies, there is no absolute obligation to do so. There may be cases where the priorities are irrelevant to a specific procurement, or it would be disproportionate to introduce measures to address them. This decision not to address one or more of the policies will be procurement specific as will the means by which any policies to be considered are incorporated into a procurement.

As the Act places a statutory duty on contracting authorities to have regard to the NPPS, contracting authorities should document their thinking on which NPPS policies an individual procurement can contribute to and how this will be addressed, as well as note why any disregarded policies are irrelevant or inappropriate or would be disproportionate to consider.

Procurement Policy Notes (PPN's)

Procurement Policy Notes (PPNs) and supporting guidance are used to communicate new policies to be applied to public procurement activities and to support practical implementation. They are issued by the Cabinet Office and are mainly for central government departments, executive agencies and non-departmental public bodies (called in scope bodies).

Fenland District Council is in the main exempt from PPN's as we are out of scope. However, statements such as the following are included:

Other public sector contracting authorities are encouraged to consider applying the best practice set out in the PPN and guidance, as appropriate, where they do not have equivalent measures in place. They should do so, in accordance with the relevant instructions in each case and in light of any relevant legal obligations which may apply.

Therefore, as part of the council's procurement strategy officers will consider the merits of each PPN issued to determine if it is good practice to implement but does not detrimentally effect the day to day operations of the council both in resource and monetary requirements. Some PPN's may require member involvement, examples could be the use of British Steel for procurements, the minimum social value weighting to be applied in procurements and encouraging suppliers to sign the Armed Forces Covenant to declare their support the Armed Forces community. These are all examples of PPN's issued in 2025.

The Procurement Team Statement

In conjunction with the government transformation program, our Strategy relies on continuous and sustained development by the corporate procurement function that will; -

- Better achieve our Business Plan priorities and enhance the Council's key aims and priorities.
- Deliver consistently high-quality services that meet users' needs, with a range of partners from other sectors including partnering, shared services, outsourcing and in-house provision.
- Provide savings and better value for money, thereby improving the cost effectiveness of the Council.
- Be sustainable for the community and benefit local citizens.
- Support the delivery of the new Act and regulations made under it.
- Enable the Council to manage and assess risks in the marketplace.
- Promote and drive continued savings through efficient procurement to assist the Council in meeting its financial objectives over the medium term.
- Raise awareness of the Council's procurement rules and training officers on all aspects of procurement and contract management practices.
- Ensure legislative compliance.
- Prepare and engage with future partner authorities under the Local Government Reorganisation.

Council's Business Plan (corporate Priorities)

The Council's Corporate Business Plan 2025-2026 [can be viewed at:](#)

The Council has four corporate priorities with deliverables summarised as:

1. Communities

- Support vulnerable members of our community.
- Promote health and wellbeing for all.
- Work with partners to keep people safe in their neighbourhoods by reducing crime and anti-social behaviour and promoting social cohesion.
- Work with partners to promote Fenland through Culture and Heritage

2. Environment

- Deliver a high performing refuse, recycling and street cleansing service.
- Work with partners and the community on projects that improve the environment and street scene.
- Supporting volunteer Street Pride groups and other environmental volunteers, organisations and partners.
- Deliver the council's carbon reduction and climate adaptation plan including meeting all climate change targets which are legally required by the UK Government.

3. Economy

- Attract new businesses, jobs and opportunities whilst supporting our existing businesses.
- Promote and enable housing growth, economic growth and regeneration.
- Promote and lobby for infrastructure improvements.

4. Quality Organisation

- Set relevant and robust performance targets to ensure the effective delivery of Business Plan priorities.
- Maintain our Customer Service Excellence accreditation to ensure we continue to deliver the most effective service to our communities.
- Help residents to self-serve and access our services digitally to allow us to provide greater support for vulnerable customers and complex queries.
- Maintain robust and effective financial standards, internal controls and organisational management.
- Comply with data protection and General Data Protection Regulation requirements.
- Appropriately consult with residents about our service and proposals as outlined in our Consultation Strategy.
- Ensure our asset base is sustainable, suitable and fully utilised to maximise income opportunities and financial efficiencies.
- Deliver our adopted Capital Programme in line with our Corporate Asset Management Plan to maintain the integrity and safety of our assets.
- Work jointly with public, private and third sector partners to improve access to our services, including from co-located facilities.
- Continue with our Commercial Investment Strategy to make informed decisions about the purchase and management of property assets through Fenland Future Limited.

- Meet our Public Sector Equality duty by complying with the requirements of the Equality Act 2010 and Human Rights Act 1998 through our core service delivery and publication of a statutory Annual Equality Report.
- Equip our workforce with the right skills to effectively deliver our priorities.
- Support and empower our staff to make effective decisions.
- Use a fair and proportionate approach to improve living, working and environmental standards as set out in our Enforcement Policies.
- Support businesses to ensure compliance with a wide range of regulatory requirements.
- Maintain effective Health and Safety systems to comply with relevant legislation and local requirements.
- Deliver all aspects of the Council's Health and Safety action plan to ensure the safety and wellbeing of our workforce, partners and wider community.

5. Transformation. Cross cutting priority 5.

- In addition to our 4 corporate priorities, we also have a fifth cross cutting priority, Transformation.
- This encompasses our ongoing transformation work to improve efficiency and customer experience, drive positive change, and ensure the Council is fit for the future.
- Spanning across all services within the council, the Transformation programme ties together all major 'change' initiatives that are looking to improve how the council works and delivers services.
- Services will be aligned, bringing together teams with similar processes and outcomes therefore building capacity whilst maximising ~~efficient~~efficient working practices.
- We will continue to have a commercial focus to service delivery, considering future opportunities and sustainable income streams

6. Fenland Inspire!

- In addition to our four core priorities, our Cabinet Members have selected a number of capital investment projects they are aiming to deliver across Fenland in the next three years.
- The Fenland Inspire! projects focus on enhancing our much-loved sport, leisure, and open space facilities, as well as preserving and celebrating the district's rich heritage and built environment.
- These projects are subject to scoping work and the development of outline business cases to determine their feasibility and affordability, ensuring that investment is targeted effectively and delivers the greatest benefit to local communities.

Key Supporting Procurement Themes:

Social Value

Climate Change, Carbon Reduction and Net Zero

Local Businesses and SMEs
Good Governance
Transformational Programme

Each of the corporate priorities is underpinned with the five specific procurement **key themes** to underpin delivery. One of the key objectives of procurement is supporting the delivery of these strategic priorities. The Strategy is intended to mirror and support these strategic priorities and subsequent business plans over the period of 2025-2028.

1. Communities – Underpinning key theme

Social Value

- Maximising the benefits that can be delivered by suppliers in our communities.
- Achieving social value outcomes wherever possible in our procurement activities.
- Ensure that social value is understood by officers and is embedded in appropriate contracts with successfully achieved outcomes.
- Setting social value scoring criteria in procurement exercises when appropriate.
- Tailoring our requirements so social value is not being sought at the expense of delivery, recognising cost pressures and the need that both outcomes can be successfully achieved.
- Tackling inequalities locally and more broadly through our procurement activities.
- Being vigilant in identifying modern day slavery locally and across our supply chains.

2. Environment – Underpinning key theme

Climate Change, Carbon Reduction Policy and Net Zero

The Council recognises that carrying out procurement activities in an environmentally responsible manner is an important factor and aspires, therefore, to:

- Phase out products and services that fall below minimum standards such as single use plastics.
- Build the skill sets of officers involved with procuring to understand sustainability and environmental objectives.
- Encourage sustainable procurement through positive facilitation.
- Be open to innovative solutions from suppliers.
- Comply with all relevant environmental legislation such as achieving Net Zero by 2050.
- Encourage contractors and suppliers to investigate and develop environmentally friendly procedures and products.

- Ensure that suppliers' environmental policies are considered during tender evaluations and that, where appropriate, environmental criteria are used in the award of contracts.
- Wherever possible and practicable, specify the use of environmentally friendly materials and products.
- Ensure that specifications, as appropriate, provide the facility for suppliers to provide environmentally friendly alternatives.
- Consider, pollution reduction, energy efficiency, reducing waste and recycling activities through procurement requirements.

3. Economy – Underpinning key theme – Support to Local Businesses and SMEs

The Council recognises its responsibilities to local communities and the opportunities afforded through procurement to help deliver corporate objectives, including the economic, social and environmental objectives set out in the Corporate Plan and the benefits of Council funding being recirculated into the local economy.

Local business should be able to compete for work alongside contractors from outside the area and the Council will encourage them to do this by (where appropriate):

- Ensuring that procurement procedures, including electronic business, does not disadvantage local businesses.
- Publicising changes in Government legislation on the Council's website and engaging with the local supply chain.
- Developing and publishing a 'Selling to the Council' guide as a means of clarification for suppliers and an opportunity to market the Council.
- Publishing details of forthcoming bidding opportunities and contact details for each contract on the Council's website and procurement portals linked to the government Central Digital Platform (CDP).
- Making sure that local businesses and SMEs know about Council contracts and how they can bid for them.
- Reviewing the internal procurement processes and procedures to examine methods of reducing the challenges facing local, small and medium sized enterprises when doing business with the Council.
- Including, where practicable, at least one estimate/quotation/tender from a local supplier within all procurement processes, where permitted to do so legally.
- Understanding local supplier reliance on the Council, in terms of business proportion and community impact.

- Embracing local Social Enterprises to develop and improve community resource.
- Increasing the level of contact with local business by liaison with the local Chamber of Commerce to sponsor and support 'meet the buyer' events.

4. Quality Organisation - Underpinning key theme - Good Governance

- Internal development of the Council's Financial Management System to automate the purchase to pay process.
- Increase use of electronic processing for tenders and quotations using procurement portals.
- Upskilling officers on all aspects of procurement and contract management processes.
- The extension and growth of electronic payment to suppliers via a No order No pay policy.
- Commitment to pay all suppliers within 30 days of receipt of invoice.
- Commitment to transparency by default agenda and the publishing of all procurement and spend requirements to legislation.
- Taking key decisions under the member decision making processes for procurement over £100K identified on the Council's forward plan.
- Incorporating procurement requirements in yearly team service plans.
- Ensure procurement works closely with its legal services in drafting contracts and terms and conditions
- Ensure procurement works closely with its audit services to ensure compliance with its conflicts of interest policy and procurement fraud identification.
- Work with our ICT team to ensure Cyber Security of our contracts is considered.

5. Transformation - Underpinning Theme

Transformational Programme.

- An improved customer experience where customers will be able to interact with the council via a channel and time that is convenient to them.
- The ability for customers to self serve via a suite of online processes or gain the personal support they need on more complex issues.
- Be flexible and forward thinking reflecting the diversity of our workforce and services we provide and enabling us to continue to be resilient and adapt to changing circumstances.
- Interdependencies between services will be maximised to improve outcomes for local people.
- Our building layout, usage and ways of working will encourage closer working with partners to further enhance service delivery for local residents.
- We will continue to attract, recruit and retain skilled staff enabling us to continue to deliver excellent services to our local residents.
- We will have a motivated, committed, productive workforce ensuring colleagues have the necessary tools, equipment, training, and ongoing support to fulfil their role.
- Services will be aligned, bringing together teams with similar processes and outcomes therefore building capacity whilst maximising efficient working practices.
- We will continue to have a commercial focus to service delivery, considering future opportunities and sustainable income streams.
- Work with the procurement team to identify cost efficiencies, new methods of contracting such as shared services, outsourcing, in-house, partnerships and joint commissioning.

6. Fenland Inspire! - Underpinning Themes

All key themes.

- All underpinning themes including due regard to the National Procurement Policy Statement are to be incorporated where appropriate into the Fenland Inspire Projects.
- Particular emphasis should be given by The Council in recognising its responsibilities to local communities and the opportunities afforded through procurement to help deliver corporate objectives, including the economic, social and environmental objectives set out in the Corporate Plan and the benefits of Council funding being recirculated into the local economy.
- Over the next three years the Council will have the opportunity to impact local economic growth through its capital spend programme which could be in excess of £40M pounds.

Code of Procurement

The Code of Procurement defines the regulatory and legal framework for procurement by the Council. The Code should be read in the context of this Strategy.

The Code states that all procurements must:

- Realise value for money (**VFM**) by achieving the best combination of highest quality of outcome and minimum whole life costs.
- Achieve the highest standards of integrity.
- Ensure fair and equal treatment of contractors, providers and suppliers.
- Operate transparently, subject to any requirement for confidentiality.
- Be in accordance with advice from the Procurement Team, Legal and Governance Team and as directed by the Monitoring Officer.
- Comply with all legal requirements, the Council's policies, including the Rules of Procedure and Code of Financial Management.

Summary

In summary, this Strategy is not exhaustive and is a roadmap to help the Council deliver its priorities. It is **NOT** designed to reduce or impede the Council's ability to react to unexpected and urgent requirements. It is designed to help meet Members' ambitions in regard to the Council's Business Plan. The underpinning themes are a positive contribution in meeting its business needs and the needs of the local residents of Fenland.