



Sustainable Procurement and Strategic Commissioning Strategy

2010 - 2014

BLABY DISTRICT COUNCIL

SUSTAINABLE PROCUREMENT
AND STRATEGIC
COMMISSIONING
STRATEGY

2010/11 to 2013/14

May 2010

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FOREWORD

By John Hudson – Portfolio Holder for Finance and Efficiencies

I am pleased to present Blaby District Council's new Sustainable Procurement and Strategic Commissioning Strategy which defines the role of procurement in the delivery of the Council's strategic aims and priorities. It will guide the Council through to 2013/14, thereby covering what is forecast to be the most financially challenging period in local government of recent times. It has been developed to help ensure that procurement activity within the Council, (and the Council's partners, if applicable), is conducive to minimising the use of scarce resources and maximising value for money for the local taxpayer.



Councillor J O Hudson

We recognise that sustainability is much more than just 'going green'. Sustainability makes an important contribution towards the development of our community and supports the equality of access to the Council services.

We are currently faced with difficult economic times which, combined with demanding Government efficiency targets, will continue to put considerable pressure on our ability to deliver good quality, sustainable, value for money services for the people of Blaby.

In these challenging circumstances we are confident that our shared service arrangement with The Welland Procurement Unit will help us to deliver excellence in all our procurement activities.

This Strategy provides the framework for the management of all procurement activity within the Council to ensure that it is undertaken in the most effective and efficient manner. Within this framework the Council will strive to deliver three clear priorities:

- Deliver year on year efficiencies without compromising quality
- Develop and enhance socially responsible procurement which delivers value for money whilst engaging with the local and regional suppliers to promote the local economy in a manner which takes account of the social and environmental impact of all spending decisions
- Ensure that equalities issues are fully taken into account in all procurement matters

Further this Strategy fully embraces and is integral to the delivery of Blaby District Councils' mission, which is:

To create, in partnership with others, a District in which people want to live and work, and to provide valued services that respond to the needs and aspirations of all our communities

The Council is committed and determined to continuously adopt and develop new and innovative ways in which to procure our goods, services and works to secure the savings that will benefit the people of Blaby.

We will share our resources and work in partnership with suppliers to drive down costs and improve service quality. We will adopt a mixed economy approach, evaluating tenders on the basis of whole life costs and breaking down all barriers to procurement opportunities.

This Strategy will be delivered with enthusiasm and pace to meet challenges posed by the economic climate and achieve our priorities. It will require high level commitment, action and buy-in from Member colleagues, staff and suppliers. It will be reviewed on an annual basis to ensure that it reflects the progress achieved and takes into account best practice across the country as well as changes in the challenges we face.

I commend it to you,

John Hudson

BACKGROUND

The severe economic downturn combined with a number of national initiatives for continued efficiencies places a much greater emphasis and focus on all procurement operations. As such it is imperative to ensure that all procurement activity is cost effective and efficient in terms of process and practice, and succeeds in achieving maximum possible cost savings without compromising quality.

A key area within the National Procurement Strategy was a drive for collaborative working within the public sector both at a national as well as a local level. The Council embraced this recommendation engaging the service of The Welland Procurement Unit which provides professional procurement advice to Blaby District Council and five other local authorities.

The key national initiatives are:

National Procurement Strategy

Published in 2003 the National Procurement Strategy set out how Councils can improve the delivery and cost effectiveness of high quality services through more efficient, prudent and innovative procurement practices. The strategy recognised that effective procurement can realise economic, social and environmental benefits. It also encouraged a mixed economy approach, improvement in opportunities for Small and Medium Sized Enterprises (SME's,) continued improvement and sustainable partnerships.

These improvements were to be achieved in the period 2003-2006. The National Procurement Strategy has neither been revoked nor superseded so the Council is obliged to maintain progress in the areas highlighted within that document, and as a consequence it informs a number of objectives in this strategy.

Sustainable Procurement

The publication of the UK Sustainable Development Strategy in 2005 set out the ambitious goal to make the UK the leader in the European Union in sustainable development. The subsequent report in 2006 from the Sustainable Procurement Task Force sets out the strategic framework for delivery of the four key priority areas:

- Sustainable consumption
- Climate change and energy
- Protecting natural resources
- Creating sustainable commodities and a fairer world

This report has been incorporated into the Local Government Sustainable Procurement Strategy by the Local Government Association.

Comprehensive Spending Review

The Comprehensive Spending Review 2007, placed a requirement on Blaby District Council to achieve 3% per annum 'cashable' savings targets for the year 2009-2010 and more recently a 4% target for 2010-2011.

The achievement of this efficiency target has been challenging to date, but a continued focus on effective procurement and the achieving of value for money should mitigate some of the impact of the current economic climate. It is anticipated that new targets will be set as part of the next spending review.

Economic Pressures

A factor in its own right is the current economic situation, which deteriorated during 2009/10 and saw the UK economy fall into recession. The implications of the economic climate continue to impact on Blaby by placing increasing demands on its services .

The above mentioned pressure on services may also be exacerbated by a decrease in certain income streams, such as investment interest, which is forecast to continue at least through to the end of 2010-2011 financial year.

INTRODUCTION

Blaby District Council's current vision is as follows:

In 2026 Blaby District will be made up of thriving, sustainable, safe, healthy, fair and secure communities, where people are happy to live and work. We want Blaby District to be known for:

Its clean, attractive and sustainable environment

The contribution of its children and young people

Having safe, strong and healthy communities

Providing high quality, responsive, efficient and valued public services

It is vital that procurement activity can be seen in the context of the contribution that it can make to delivering on this vision.

This strategy will promote effective procurement across all activities and aims to set out a flexible planning framework within which all procurement reform can evolve to combat the intensity of the challenges currently posed. Every aspect of the procurement process and practice must be tuned to deliver cost savings for the benefit of the people of the District of Blaby.

This strategy also sets out how the Council will adopt a strategic approach to sustainable procurement based on national and regional drivers, best practice and the recommendations of the Government's Sustainable Task Force.

It is important in this context to define what is meant by procurement so we can understand the scope of this strategy. The National Procurement Strategy for Local Government in England, published in 2003 quotes:

'Procurement is the process of acquiring goods and services covering both acquisitions from third parties and from in-house providers. The process spans the whole life cycle from identification of needs, through to the end of the service contract or the end of the useful life of an asset. It involves options appraisal and the critical 'make or buy' decision which may result in the provision of services in appropriate circumstances.'

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 our strategic objectives and in improving the quality of the services delivered to our community. The Government has highlighted that the maintenance of an up to date and clear procurement strategy 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 strategy and the procurement process, obtaining 'best value for money' means selecting the submission that provides the optimum combination of whole life costs and benefits to meet the customer requirements. This is not necessarily the lowest price submission and requires assessment of the ongoing resource/revenue costs as well as initial capital investment. Consideration must be given to social, environmental, economic and other strategic objectives in evaluation of the submissions.

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.

Importantly this strategy seeks to balance three priorities:

- Deliver year on year efficiencies, but not at the cost of quality
- Develop and embrace socially responsible procurement that delivers value for money, engaging the local and regional suppliers to promote the local economy and taking account of the social and environmental impact of spending decisions
- Ensure that equalities issues are fully taken into account in all procurement decisions

This will demand a mixed economy approach to procurement and relies on developing collaborative working within and across public authorities and partner organisations to achieve economies of scale.

The overarching purpose of this strategy is to support the delivery of high quality public services that offer value for money and are procured in a manner that takes into account sustainability, best procurement practices and all legislation that governs these activities.

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

A glossary of terms used within this document is set out at Appendix A.

PROCUREMENT POLICIES AND PRINCIPLES

The District Council's primary focus is to use procurement to deliver high quality and cost effective services that meet the needs of users and local community. To achieve this, procurement is being managed in accordance with the following Policies and Principles.

SECURING VALUE FOR MONEY

Mixed Economy

Blaby District Council is committed to selecting the best service provider regardless of the sector in which the provider operates on the basis that this will deliver the best value for money for the residents of the District.

Competition

All supplies, services and works are to be secured by competition as competitive procurement promotes economy, efficiency and effectiveness in the Council's spend. Competition will also contribute to the competitiveness of suppliers, contractors and providers.

Market Consultation

Potential service providers under consideration are to be consulted as stakeholders in all procurement processes. Their views will especially be sought on the proposed packaging of the procurement and on any alternative provisions or methods which may be more attractive to the market thereby offering opportunities for cost savings to the Council.

Continuous Improvement

This strategy is part of the arrangements to secure continuous improvements in the service delivery in terms of economy, efficiency and effectiveness. Procurement will be used to promote continuous improvement within service providers and targets for such will be established in contracts.

E-Procurement

E-procurement is not just using modern technology for the purpose of procurement but using such systems for the purpose of achieving economy, efficiency and effectiveness in procurement. The Council already utilises the Cedar e-financial system for purchase orders and electronic payments. The Welland Procurement Unit is investigating further systems that afford savings in transactional costs for possible use in the procurement process.

Equality

The Council has a legal responsibility to ensure that the equality standards it has adopted internally are supported by all organisations that perform work for it. The Council also has to ensure that the services it provides meet the diverse needs of the residents and affords them equal access to the services provided.

Financial Resources

All aspects of the procurement process from strategic procurement planning and option appraisal through to contract management have financial implications. As such the planning and monitoring of financial resources must be a constant part of the procurement process.

Strategic Commissioning

Strategic commissioning can be defined as the 'process of identifying strategic outcomes in relation to assessed user needs and designing and securing appropriate services to deliver these outcomes'.

The Council will adopt commissioning principles when determining its approach to the delivery of services.

Commissioning is different from procurement. Procurement is a part of the commissioning cycle and is responsible for managing any competitive process employed. Commissioning may deliver services provided through non-competitive processes such as grant funding and voluntary work.

The Council recognises that commissioning is a central component in the transformation agenda. It has the capacity to facilitate significant changes to the betterment of the wider community. However, there are no specific and pre-determined commissioning models as each process must be developed to meet specific circumstances and given needs, whilst remaining consistent with commissioning principles.

Strategic commissioning means securing the services that most appropriately address the needs and wishes of the individual service user, making use of market intelligence and planning accordingly. Commissioning is the realisation of high quality and value for money services for the community. The commissioning process will consider all appropriate options, irrespective of the sector they originate from as well as ensuring legislative compliance and full transparency.

Essential to successful commissioning is the need to engage all stakeholder groups. The Council will ensure that all stakeholders including services users, the wider community, suppliers and contractors along with partner organisations are included in the process.

The strategic commissioning process calls for a new more strategic approach when compared with the more traditional way of securing services and Blaby have fully embraced this new ethos. The process can be seen as having four key elements:

Assessing the needs of the people of Blaby, the current service provision and identify opportunities for improvement and change while recognising the risks in capturing such

Analysis of all Blaby provision to identify any gaps in the service and what will be required for the future

Provision of the identified services in an efficient, effective and sustainable manner utilising as appropriate a mix of service providers from the public, private and third sector

Monitoring the services provided and communicating with the people of Blaby to ensure they have satisfied needs identified.

Examples of Blaby District Council's approach to strategic commissioning are developing through work with the District's Local Strategic Partnership, (Blaby Together), in order to deliver the priorities and ambitions agreed within the Districts Sustainable Community Strategy and its own Corporate Plan. Such examples are the Neighbourhood Management, Children Centre Commissioning Programme and Third Sector Commissioning.

Set out at Appendix B is a diagrammatic representation of a typical commissioning and procurement cycle together with a chart which shows how the social, environmental and economic aspects of commissioning interact with each other.

SHARING SERVICES

Collaboration

Collaboration describes the various ways that the Council and other public bodies come together to combine their buying power to procure supplies, services or works or to create shared services. Blaby District Council supports such efficiency initiatives and is currently engaged in collaborative working by sharing services such as Building Control, ICT Disaster Recovery, Land Charges and Legal Services.

Partnering

Partnering describes the creation of long term flexible relationships with service providers to deliver such items as a construction project, based on the sharing of risks, rewards and continuous improvement.

SUSTAINABILITY

Sustainable Procurement

All major procurement shall have due regard to the issue of sustainability and decisions will be taken to ensure that work is packaged so as to encourage biodiversity and deliver the wider sustainable development goals.

Local Suppliers

In line with the initiatives of the Glover Report, the Council promotes the use of local suppliers and acknowledges that a decision to purchase locally can maximise the resource benefit, contribute to Council objectives and have environmental benefits. The Council is however also mindful that it would not be in their best interests if local suppliers were given an unfair advantage

Environmental

The environmental impact of all procurement decisions form an integral part of the evaluation process for each and every strategic procurement activity, and represent one element of the whole life costs considered.

Sustainable Community Strategy

Procurement will continue to contribute to the realisation of the strategic vision contained in the Blaby District Sustainable Community Strategy.

STANDARDS AND PROCESSES

EU Public Procurement Directives

The EU Public Procurement Directives (incorporated into UK law as the Public Procurement Regulations) are intended to ensure that where public funds are to be used for the purchase of supplies, services or works, there will be full, fair and transparent competition. As a contracting authority Blaby are legally bound to comply with these regulations.

Contract Procedure Rules

All procurement will conform with the revised Contract Procedure Rules which set out how procurement activities are to be undertaken to ensure compliance with the above regulations, and on which staff have been trained.

Professional Standards

All procurement activity will accord with procedures and shall be undertaken in a professional manner thus ensuring the highest standards of transparency, probity and accountability.

Ethics and Fraud Prevention

Procurement processes are required to be legal, transparent and not expose the Council to undue risks. All procurement activities will be conducted in a manner that promotes fair, ethical and legal business practices.

Framework Agreements

Where the Council has put in place or has access to regional or national framework agreements, goods and services are to be ordered under these arrangements as far as possible

Workforce Issues

Where procurement involves the potential transfer of employees then the Council will take every care to ensure that the process is handled in accordance with the advice and guidance published by the Department of Communities and Local Government (CLG).

Tender Evaluation

The objective of the evaluation process is to select the service provider that offers best value for money, whilst recognising that lowest price does not necessarily mean best price. To be able to assess the best value tender consideration needs to be given to sustainability, quality, green issues, e-capabilities, and these criteria need to be established and documented prior to tenders being sought. Each of the criteria should then be recorded in the evaluation model and scored for each tender that is submitted.

Project Management

All major procurement projects are to be managed to a structured project management method proportionate to the project and incorporating best practices in risk management. Furthermore all contracts are to be actively managed and monitored to ensure a timely delivery, within budget and to the required standards.

STRATEGIC PRIORITIES

The primary purpose of this strategy is to support delivery of high quality public services in a sustainable manner that offer value for money, while recognising the difficult current economic climate and challenging Government initiatives and targets.

The strategic priorities in achieving this purpose have been determined as follows :-

EFFECTIVE AND EFFICIENT PROCUREMENT

The Council will ensure that the procurement process is undertaken in the most efficient and effective manner by:

- Training and developing staff to ensure they are informed of the strategy, procedures and that all procurement adheres to 'best practices' as set out by bodies such as The Chartered Institute of Purchasing and Supply and the Office of Government Commerce.
- Undertaking all procurement activity within a corporate framework
- Developing and promoting corporate contracts and standardisation of all documentation with responsibilities and accountabilities of all parties explicitly defined.
- Adopting approved e-procurement solutions that streamline procurement operations
- Using approved national and regional negotiated contracts such as those arranged by ESPO or by the Office of Government Commerce

The Council will ensure that value for money is achieved by:

- Consideration of all options in obtaining the most appropriate solution for all service requirements
- By using competition when securing all externally sourced goods, services and works
- Collaborative working with other local authorities and organisations in procurement and the sharing of practices and experience as a way providing more flexible and cost effective services
- Ensuring that all tender evaluations consider the whole life cost of procuring goods, services or works and not just the initial capital expenditure

- Clearly demonstrate that any in-house provider offers value for money when compared to external providers of the same service
- By valuing innovation and creativity
- By working with the East Midlands Regional Improvement and Efficiency Partnership

The Council will manage risk by;

- Giving full consideration to the risks and the consequences of such during each and every stage of the procurement cycle
- Ensuring that procedures are in place to manage the risk
- By transferring those risks that it is appropriate to do so to the service provider on a contractually sound basis so as to minimise the potential consequences
- Effective contract management

The Council will optimise e technology by;

- The Welland Procurement Unit will develop and utilise the “Due North” system to monitor tender activity and provide a portal for tender opportunity information for local suppliers
- The Welland Procurement Unit will investigate technology that will reduce transactional costs

The Council will monitor performance by:

- Utilising a range of performance indicators
- Benchmarking performance against other local authorities and partnerships
- The accurate recording of procurement savings and efficiencies
- Regular independent review by the Welland Procurement Board and directly with the Welland Procurement Unit

The Council will employ effective communication by:

- Engaging with all internal stakeholders to ensure a good definition of requirements

- Providing access to high quality procurement information from the shared service of The Welland Procurement Unit
- Starting an early dialogue with potential service providers so that packaging of elements to be procured can be tailored to be attractive and secure the best value for money

SOCIALLY RESPONSIBLE PROCUREMENT

The Council will promote economic regeneration by:

- Active communication with local suppliers as to how to access information on Blaby business opportunities, how to do business with the Council and by identifying who within the Council is responsible for the various spend categories
- By providing information about future procurement activity through the Due North system and through the Council's website.
- Using contract packaging to break down larger contracts to match local SME capacity
- Following the principles of the Small Business Engagement Accord as entered into by Blaby District Council with the Federation of Small Businesses East Midlands
- Encouraging, where legitimate, larger service providers to sub contract elements to local providers

The Council will promote social improvements by:

- Increasing our understanding of the opportunities for utilising Fairtrade products and suppliers, details of which are available on the Fairtrade Foundation website www.fairtrade.org.uk
- Promoting all businesses to encourage apprenticeships

The Council will promote environmental considerations by:

- Ensuring that environmental and sustainability considerations are taken into account in the procurement cycle
- Where negative environmental or sustainability impacts are identified action will be taken to reduce the impact through such items as specifications and evaluation criteria

- Ensure that environmentally preferable goods and services are always used where this is consistent with best value
- Using sustainable specifications will be a key part in promoting bidders to submit sustainable tenders
- Minimising waste by the re-use of materials to be replaced should be considered in all tenders and contracts

EQUALITY PROCUREMENT

The Council will promote equality by:

- Committing to gaining Level 3 (Achieving) in The Equality Standard for Local Government.
- Ensuring that all members of the diverse community of the District of Blaby have equal access to all the services provided
- Ensuring that all procurement is undertaken in a fair and inclusive manner
- Ensuring equality is considered at each and every stage of the procurement cycle
- Encouraging all service providers to have a written Equal Opportunities Policy and associated procedures
- Ensuring that all sub contracts have an equality clause
- Ensuring that all pre-qualification documents include questions on equality and that these are completed

OUTCOMES

The strategy aims to achieve the following outcomes:

- All procurement activities are carried out in accordance with the Council's Sustainable Procurement and Strategic Commissioning Strategy and relevant procurement legislation and regulation (EU and UK).
- All procurement activities are carried out in a fair, efficient, consistent and transparent way, allowing all qualified and competent suppliers the opportunity to provide goods and services to the Council.
- A commitment to effective procurement arrangements from Members and officers.
- A corporate focus for increased partnership arrangements between the Council and service providers, and the development of more flexible and effective contracts.
- More collaborative working relationships between the Council and its suppliers, both current and future.
- Each procurement project addresses sustainability and equality issues and identifies whether there is scope to improve the environmental, economic and social impacts of the proposed contract.
- Joint procurement activity with other public, private and voluntary sectors as appropriate and use consortium arrangements where they are advantageous.
- A diverse and competitive supply market including small firms, social enterprises, ethnic minorities, businesses and voluntary and community sector suppliers.
- Providing potential service providers with adequate, accurate and timely information at all relevant stages of the procurement process.
- Bidders are fully aware of the basis for bid evaluation (evaluation criteria) and that all stages of the procurement process can be audited satisfactorily with reference to a clear, written policy on evaluating tenders and awarding contracts, which is publicly available to all bidders.
- A longer-term strategy framework for option analysis and appraisal in the consideration of the Council's procurement function to ensure continuous improvement.

- Updated Standing Orders and Financial Regulations relating to procurement.
- Modern procurement practices, including e-procurement to reduce the burden on administration and monitoring resources.
- Adequate budgetary and employee resources provided to meet the Council's key procurement objectives.
- A long-term commitment to the consideration of strategic procurement issues.
- The identification and promotion of the benefits of strategic procurement arrangements.

SUMMARY

This Sustainable Procurement and Strategic Commissioning Strategy sets out the framework and issues to be addressed in the coming years to ensure that best practices are embedded and implemented when performing any commissioning and/or procurement activity.

By complying with this Strategy the Council will demonstrate that procurement will follow a consistent approach that secures best value for money and other strategic benefits for the residents of the District of Blaby.

The Strategy should be read in conjunction with the Procurement Toolkit, which provides more detail on the procurement methods and procedures and how the issues herein are to be applied in practice.

CONTACT DETAILS

Please contact us if you have any questions or comments regarding this Strategy.

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GLOSSARY OF TERMS

Blaby Together - The Local Strategic Partnership (LSP for the District of Blaby) whose vision is that by the year 2026, Blaby District will be made up of thriving, sustainable, safe, healthy, fair and secure communities where people are happy to live and work. Blaby Together has a core membership of twelve organisations representing the public, private and voluntary sectors, including those organisations providing and representing key services to communities across the District. Further information is available from <http://www.blabytogether.org>

Business Case - This is a document, which is used to obtain management commitment and approval for investment in business change. It identifies the costs, benefits and risks associated with a particular project, so that the viability of the project can be judged.

Business Continuity - Where supply of goods or services is critical to the Council, evidence of business continuity and security arrangements will be obtained to minimise the probability of disruption and delayed or non delivery.

Commissioning - The cycle of assessing the needs of people in an area, designing and then securing appropriate services to meet those needs.

Compact - A voluntary agreement between the voluntary and community sector and the public sector which provides a framework for how the two sectors work together.

East Midlands Improvement & Efficiency Partnership (EMIEP) - Partnership set up following the publication of the National Improvement and Efficiency Strategy (December 2007) by the Department for Communities and Local Government (DCLG). It aims to bring lasting improvements to the East Midlands region by forging closer relationships between East Midland Local Authorities to help them challenge and support one another on their 'improvement journeys'.

Eastern Shires Purchasing Organisation (ESPO) - A local authority purchasing and distribution consortium formed in 1981, that is jointly owned and managed by 7 local authorities, including Leicestershire County Council. It provides a comprehensive purchasing service to the member authorities and other approved customers, including Blaby District Council.

Equality Framework for Local Government - The Equality Framework has been developed to build on the equalities achievements of local government and create a framework that helps councils to respond effectively to the increasingly complex and diverse nature of their communities, legal obligations and new performance measures. The Framework uses the broader definition of equality set out in the Equalities Review which emphasises equal life chances for all.

Equality Standard for Local Government - The Equality Standard was launched in 2001 and was adopted by 90 per cent of all local authorities. The standard recognised the importance of fair equal treatment in local government services and employment. It has been developed primarily as a tool to enable local authorities to mainstream age, disability, gender, race, religion and belief and sexual orientation into council policy and practice at all levels. It was a best value performance indicator (BVPI). Councils reported what level of the standard they have reached from five levels. The Equality Framework has now replaced the Equality Standard.

Flexible Framework - Developed by the National Sustainable Procurement Task Force to allow public sector organisations to benchmark their own sustainable procurement capability, and providing a route map for improvement.

Funding, Commissioning and Procurement Code of Good Practice - A framework for the financial relationship between the voluntary and community sector and the public sector, which sets out the undertakings of both sectors.

Gateway Review - An appraisal of a procurement project carried out at crucial junctures in its development. It is conducted by an independent team who are not part of the project team and who can provide a 'health check' on the aims and the progress of the project.

Joint Commissioning - Two or more agencies pooling their resources to implement a common strategy for providing services.

Leicestershire Together - The Local Strategic Partnership (LSP for the county of Leicestershire whose aim is to improve the quality of life for Leicestershire people and to improve the quality and co-ordination of public services in the county. Leicestershire Together has 28 members representing different sectors, including the organisations providing key services to communities across the county. Further information is available from: <http://www.leicestershiretogether.org>

Local Area Agreement - Sets out the priorities for a local area agreed between central government and a local area (the local authority and Local Strategic Partnership) and other key partners at the local level. These priorities aim to make a town, city or community a better place to live.

Local Strategic Partnership - A single body, which brings together the different parts of the public, private, voluntary and community sectors for the purpose of preparing and implementing a community strategy and agreeing community priorities. In Blaby, the local strategic partnership is called 'Blaby Together'.

Multi Area Agreement - Sets out the economic priorities for a local area agreed between central government and a local area (Local Strategic Partnerships). The Local Strategic Partnerships in Leicestershire and Leicester have agreed a MAA focused on improving the local economy and generating wealth through innovation and creativity.

Prime Contractor - The main supplier with whom we directly contract for goods, works or services and who has responsibility for completion of the contract.

Procurement - The process of acquiring goods, work and services, covering both the acquisition from third parties and from in-house providers. The process spans the whole life cycle from identification of needs, through to the end of a services contract or the end of the useful life of an asset. It involves options appraisal and the critical 'make or buy' decision which may result in the provision of services in-house in appropriate circumstances.

Public Sector Bodies - For the purpose of this Strategy each of the following is considered to be a Public Sector Body: a local authority, a district council, a borough council, a government department, a fire and rescue authority, a police authority, a health authority, an association of or formed by one or more public sector bodies.

Purchasing Card (pCard) - This is a charge card, which works in a similar way to a credit card and is used to purchase low value, high volume routine transactions, for example: hardware purchases, travel and accommodation expenses, newspapers. They replace paper based purchase orders and invoices and the use of petty cash.

Risk Management - That assessment and management of risks associated with the development and performance of contracts.

Small Business Friendly Concordat - A voluntary, non-statutory code of practice, which sets out what small firms and others supplying local government can expect when tendering for local authority contracts. It also sets out the standards that public sector buyers should expect from their suppliers.

Small to Medium Size Enterprises (SMEs) - Companies employing 250 employees or less.

Statutory Service - A service that the Council is required by law to provide.

Sustainable Community Strategy - The Sustainable Community Strategy is prepared by local strategic partnerships as a set of goals and actions which they, in representing the residential, business, statutory and voluntary interests of an area, wish to promote. The community strategy should inform the local development framework and act as an umbrella for all other strategies devised for the area.

TUPE - Transfer of Undertaking (Protection of Employment) Regulations.

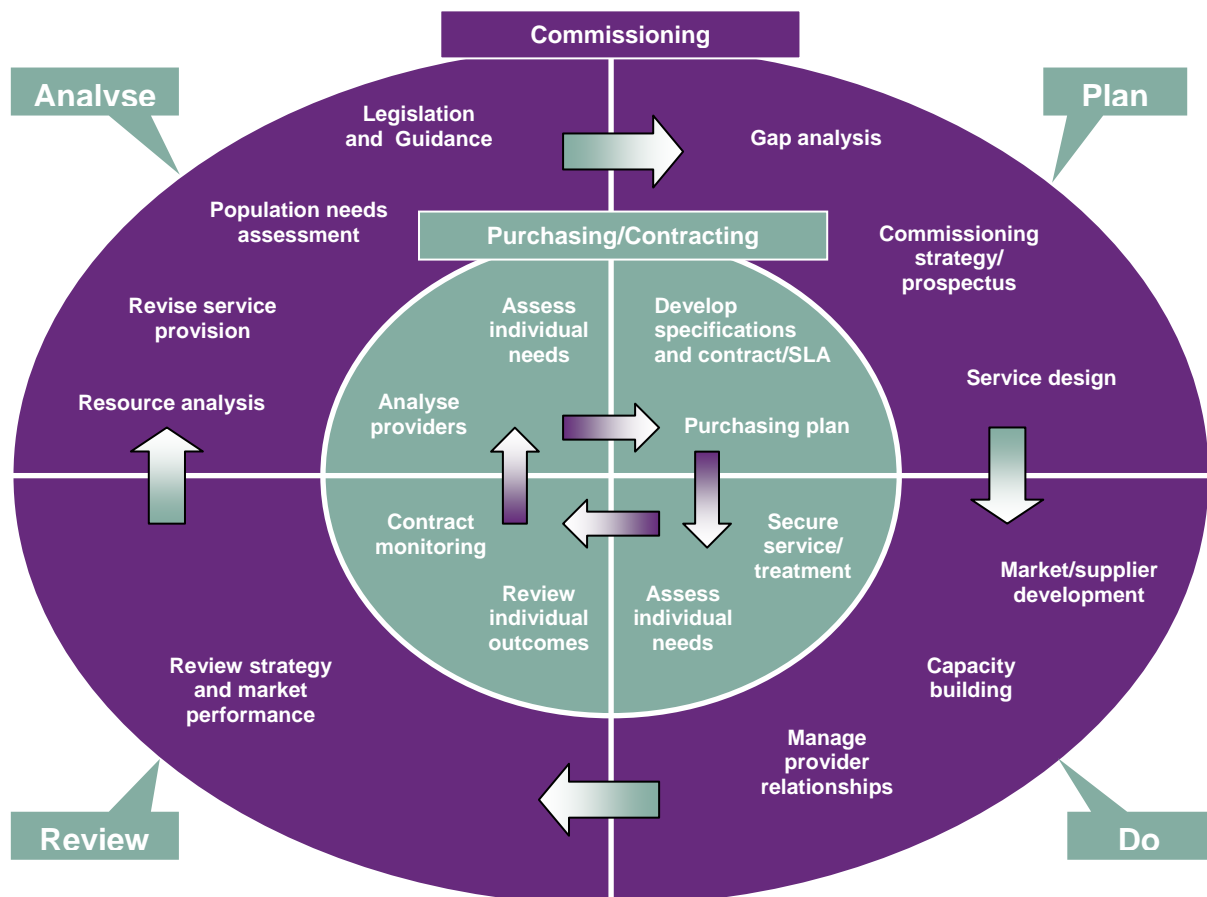
Voluntary and Community Sector (VCS) - The voluntary and community sector is the collective name for all the voluntary and community organisations.

Voluntary Organisations - Voluntary organisations exist for their self defined purpose and are not set up by law. They are independent and range from large service providers and registered charities to small groups and clubs that may not be formally constituted, and which between them cover the entire range of activities and policy areas. They include faith groups, black and minority ethnic, refugee and asylum seeking groups, and tenants and residents associations. They may or may not use volunteers.

Whole Life Costs - The costs associated with the life of an asset or service, including procurement, operation, maintenance and disposal/re-competition.

The Commissioning and Procurement Cycle

The various stages in the process are shown below. Sustainable commissioning and procurement simply means meeting these service needs in a way that generates benefits not only to Blaby District Council and Blaby Together but also to the economy, society and the environment.



Source: The Institute of Public Care

In order to enhance this process the Council needs to maintain a focus on :-

- Our governance arrangements for procurement activity;
- Planning, measuring and controlling our activity;
- Doing business electronically;
- Supplier engagement;
- Risk management;
- Business continuity;
- Procurement, capability, skills and training