

PROCUREMENT STRATEGY 2008

PORTFOLIO RESPONSIBILITY: RESOURCES

CABINET

10 JULY 2008

Wards Affected

County-wide.

Purpose

To seek approval for the updated Procurement Strategy.

Key Decision

This is not a Key Decision.

Recommendation

THAT the updated Procurement Strategy be noted.

Reasons

1. Procurement is the process of acquiring goods, works and services from third parties. The process spans the whole of the purchasing cycle following identification of need from tendering through to the end of a service contract or the end of the useful life of an asset. It includes options appraisal and the critical make or buy decision. An appropriate strategy helps deliver this activity in an effective manner.

Considerations

The Strategy

2. Successful implementation of the updated Procurement Strategy will help the Council achieve further cashable and non-cashable efficiency gains in support of the Council's priority for greater organisational efficiency and improved value for money.
3. The Strategy plays a key role supporting the Annual Efficiency Statement process and supports the delivery and capture of benefits throughout the Herefordshire Connects programme.
4. The Procurement Strategy agreed in 2007 has been updated and is designed to define the approach that must be followed by officers and be a point of reference in giving initial guidance on all procurement related activity.
5. The revised Strategy document encompasses and reinforces all the corporate policies that need to be taken in to consideration before, during and after the procurement process.

6. The Procurement Strategy document is not a procedure manual. Other documents such as the Council's Contract Procedure Rules and accompanying mini-guide to procurement provide this level of detail.
7. The Strategic Procurement & Efficiency Manager is responsible for implementing and monitoring the effectiveness of the Strategy and keeping it up to date. Compliance with the Strategy is also be monitored.
8. The Comprehensive Spending Review 2007 set a target of 3% annual cashable savings from April 2008 and successful implementation of this updated Strategy will significantly contribute to this target. At the same time it will reinforce the Council's commitment to achieving value for money and this will feed into the Use of Resources section of Comprehensive Performance Assessment.

Financial Implications

11. Implementation of an effective Procurement Strategy can make a considerable contribution to the Council's overall financial position.

Risk Management

12. A clear, up-to-date Procurement Strategy is an effective means of managing the risks associated with procuring goods and services.

Alternative Options

13. There are no alternative options

Consultees

14. None

Appendices

- Appendix A - Procurement Strategy 2008
- Appendix B - Mini Guide to Procurement

BACKGROUND PAPERS

- Procurement Strategy 2007