



## PROCUREMENT STRATEGY

2025-2027

### Vision

We want our procurement to deliver value for money, being a balance between the best price and the right quality; to use efficient and legally compliant purchasing solutions; and to help promote beneficial social, economic and environmental outcomes for Darlington.

### Introduction and Context

Procurement is the process by which an organisation buys goods, services or works (e.g. building and construction), but its influence can be much wider.

The Council spends millions of pounds every year and we want to use money effectively and achieve value by purchasing at the right price and quality.

We serve the people of Darlington and whenever possible we want our spending to have wider local social, economic and environmental impacts and benefit the well-being of local people.

The Council Plan has 3 core principles, addressing inequalities, tackling climate change and the efficient and effective use of resources. Procurement activity can help in delivering these goals.

This aim fits with the National Procurement Strategy, developed by the Local Government Association in 2022<sup>1</sup> which focuses on the themes of, achieving community benefits; showing leadership; and behaving commercially.

This Strategy will help councillors, staff, suppliers (and potential suppliers) and partners to understand how we approach procurement and what is important to the Council. It will direct and inform our procurement activity for 2025 to 2027

### Procurement at Darlington

The Council is a complex organisation, we purchase a wide variety of goods and we commission external contactors to provide services or to carry out works.

We have a Corporate Procurement Unit of procurement specialists who work with colleagues across all areas of the council involved in procurement decision making including colleagues in commissioning and the capital projects team (major council projects). This helps in ensuring that we have a council wide approach and to choose the best procurement solution for what we are buying (e.g. using a pre-procured solution such as framework or running a stand-alone procurement exercise ourselves or jointly with other councils).

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<sup>1</sup> [National Procurement Strategy for Local Government in England 2022 | Local Government Association](#)

The Procurement Unit supports governance oversight of procurement policies and practices ensuring appropriate decision making and reporting.

We work with regional partners and are members of the North East Procurement Organisation.

The Procurement Unit is always happy to help and advise potential suppliers who are new to working with the council.

## **Key objectives**

The Council's procurement activity will be driven by 7 key objectives:

### **1. Working together**

To realise our ambitions for Darlington we need to work in a collaborative and joined-up way, ensuring staff involved in purchasing decisions receive appropriate training about corporate priorities and procedures. It's also important that advice and support from the Corporate Procurement Unit is sought at an early stage from so that we can fully consider the options and the best approach to take.

For commissioned services It requires stakeholder engagement and giving proper consideration to service user's needs. In Social Care in particular, personalisation is responding to individual's needs, wants and hopes rather than fitting people into existing services and ensuring that they have the means and support to live a full life and can contribute to society.

It requires that the opportunities for businesses to tender for contracts are structured in a way that allows maximum participation and are clearly advertised and objectively assessed.

In order to facilitate this, we advertise opportunities widely through social and traditional media and also run supplier engagement events prior to large-scale/strategic procurements. We aim to be accessible to advise potential suppliers about opportunities to do business with the council and to listen to feedback we receive

We are a small unitary council but by working in partnership we can achieve more. For example, we have a long history of collaboration with the North East Procurement Organisation and other councils in the Tees Valley and the North East. This enables us to share best practice, to work jointly, avoiding duplication and achieving greater value. We and maintain and further develop these strong local ties to ensure that the Council and the Darlington area continue to benefit.

### **2. Delivering quality and value for money**

We will use money effectively and achieve value by purchasing things at the right price and quality.

This means assessing the relationship between quality and price to ensure that the quality is right (neither over or under specified) and we obtain the best price, while also ensuring the procurement aligns with our wider values.

This requires market intelligence and rigor in commissioning and purchasing decision making and where appropriate the use of category management (grouping related purchasing together to take advantage of scale in order to improve quality, savings and efficiency).

We will use framework agreements and dynamic purchasing systems where appropriate but will not operate approved supplier lists. Decisions will be taken on a case-by-case basis to ensure fairness and transparency to all potential providers.

We use a whole lifecycle approach, to analyse options to ensure that procurement activity aligns with the council's values and ambitions. This is from the early stages, in drafting the specification, assessing of tenders, including appropriate contract terms, contract management and exit.

This helps ensure that contracts and supplier relationships are managed appropriately and that the benefits of contracts are delivered throughout the lifetime of the contract and rectifiable if they are not.

### **3. Social Value**

In addition to quality and value for money, procurements can include value added requirements designed to produce specific social, economic or environmental benefit to Darlington (for instance that a supplier must employ a percentage of local people).

Whenever possible will include in our procurement additional deliverables that improve social, economic and environmental outcomes by requiring bidders to submit their social value offer so that it can be evaluated alongside price and quality.

This will include supporting the Councils declaration to reach net zero carbon emissions by 2040.

We use the Themes, Outcomes and Measures (TOM's) framework as a tool to assist us to consider what social value criteria can be included and how it can be measured and evaluated.

We will continue to develop our use of social value and monitor outcomes alongside a more traditional cost/benefit analysis ensuring at all times that we are delivering the best possible results for the residents of Darlington.

### **4. Climate Change**

As a council we have significant purchasing power and can influence products, services, supply chains in the way we go about procuring

The way that we approach procurement can help in a number of ways:

**a. Buying only what we need**

Alongside helping the council in limiting spending, buying only what we need can contribute to using the earth's resources in a more considered way. Nearly all that we buy will have some negative effects on climate caused by its production and its delivery. Reducing spend can make a positive contribution to reducing carbon.

Ways to do this:

- All of us when we may be considering buying or procuring something
- Managers and budget holder scrutiny
- Procurement Board when considering procurement requests
- Cabinet when considering strategic procurements, Scrutiny Committees in reviewing services and Audit Committee in considering the use of resources, and more generally members as a whole.

**b. Thinking about what we buy**

This is about considering the products available and how they fit without requirements including the carbon impact. Having an open mind and engaging early in the market with suppliers may allow more innovative solutions to come forward. Consideration should be given to the carbon impact of what we are buying including the carbon impact of production and the carbon impact of using a particular product and more carbon neutral alternatives

**c. Thinking about who we buy products from**

We need to encourage suppliers to take climate change seriously too. As part of the adoption of the new Procurement Strategy we will be rolling out specific climate change questions at the selection stage in appropriate procurements.

**d. Improving**

We recognise this is part of a journey of change that we are all on and that we need to get better at factoring in climate change in all of what we do and be striving to embed cultural change in our approach.

**5. Governance and Compliance**

Public procurement operates in a highly regulated environment that is governed by legislation and policies set nationally through statute and locally by the Council's Contract Procedure Rules and Financial Regulations. In addition, the Council is also required to fulfil the obligations of the Local Government Transparency Code 2015.

We will ensure our procurement practices are compliant with all relevant legislation and internal standards and controls. We will make sure that staff receive appropriate training and guidance and will pro-actively monitor compliance.

We will ensure that we have appropriate and proportionate controls to manage procurement risks and adequate mechanisms to identify and protect the Council against fraud.

We ensure transparency by publishing a contracts register and are committed to being open and transparent in all aspects of procurement. We publish opportunities on the webpage and use an electronic tender process.

We require all our suppliers to demonstrate their commitment to maintaining and promoting high ethical standards, reminding them of their duty of care in the use of public funds.

We will ensure that (where relevant to the subject matter of the contract) sustainability criteria are built into our procurements to tackle climate change and reduce waste.

The requirement for payment of the national living wage will be explicitly made in the tender documentation, and the contract conditions that are issued with the tender, where permissible within the law.

We will require contractors to ensure that modern slavery has no place in their operations or supply chain and will monitor compliance.

## **6. Local Economy and SME**

We recognise the importance of a thriving and sustainable local economy and will seek to ensure that local businesses and small and medium enterprises (SME's) are aware of and able to participate in tendering opportunities.

In the planning of procurements, we will look to encourage maximum participation, including preliminary market consultation and the splitting up of contracts into lots that may encourage wider participation. We will look at ways to make it easier to do business with the council and to assist businesses to get involved

While we cannot unfairly favour local suppliers, we can give consideration in drawing up a specification to reference factors that may have relevance to locality. For example those which require service delivery to be within a certain timescale or location in order to be responsive to service need.

## **7. Innovation, improvement, and forward planning**

We support the council to taking a commercial and entrepreneurial approach and be willing to innovate and embrace change and new ways of doing things where it is beneficial to Darlington.

Where there are weaknesses in the market we will work with existing and potential suppliers to help to develop market capacity to deliver our requirements no matter what size of organisation we are procuring from.

We will identify where market capacity may be weak and where new markets may need to be developed. Where possible, we will support the creation and development of new businesses to assist in delivering local priorities and needs.

We will prepare a detailed procurement plan of activity which will set timescales and resources to enable us to combine our own spending power, collaborate with others and engage the market and our communities to explore innovative solutions. These will be published in April and updated in October to ensure that they remain up to date and relevant.

### **Drawing things together**

Successful procurement enables the Council to be more effective, providing value for money, supporting local business and achieving social value to meet the needs of Darlington's residents and businesses. As a Council we are keen to develop ways in which the Council can use its spending power to deliver further benefits to the Borough. This approach will be adopted whilst ensuring compliance with regulations and using the following as a framework to establish a work plan.

- (a) Introducing local supply chain opportunities in our procurement activities;
- (b) Continuing to develop and implement a Social Value Procurement policy with supporting guidance for officers on the application of the TOMs Framework. This will also incorporate tailoring the TOMs Framework to Darlington's priorities, initially in larger/strategic procurements, to ensure a focus on Darlington's needs. Providing a toolkit to give guidance, information and support to suppliers when considering social value in response to an opportunity;
- (c) Working, where appropriate and allowed by legislation, to proactively source goods, works and services from local suppliers within the Borough and wider Tees Valley area whilst ensuring at all times that best value is achieved;
- (d) Continuing to measure local spend in order to identify and reduce barriers to entry to market for SMEs and Micro Businesses;
- (e) Improve contract management across the council to ensure efficiency and that promised deliverables are being delivered;
- (f) Continue to monitor and reduce our off-contract spend. We will also conduct a review of all services over the period of this strategy to capture and reduce the level of off-contract spend across the Council;
- (g) Ensure that the potential for procurement fraud is minimised;
- (h) Develop a toolkit for measuring social value delivered and capturing local spend with a view to establishing a baseline from which we can improve/maintain as appropriate;
- (i) Continue to promote procurement activity on the NEPO portal and/or any successor platform to provide clarity and simplicity for businesses accessing opportunities;

- (j) Obtain commitments from service areas and officers to engage the procurement and legal teams at the nascency of projects in order to enable efficient service delivery, compliance and best possible value. This is not to be exclusive to new procurements but across the whole gamut of procurement activity;
- (k) Develop even stronger ties with the other authorities in the Tees Valley and wider North East region to further the collaborative approach to procurement which has been so successful. This will enable us to ensure that there is limited duplication of work and also to benefit from larger economies of scale;
- (l) Ensure all significant contracts are effectively managed by improving our approach to Contract Management. Where applicable incorporate KPI's into contracts to measure contract outputs including Social Value outcomes and ensure competitiveness over the life of the contract;
- (m) Review the use of Dynamic Purchasing Systems and, where appropriate, utilise them further to provide a route to market for smaller and local businesses;
- (n) Regularly review our procurement processes, systems and tools to ensure that they are fit for purpose.

#### **More Information and contacting us**

For more information about procurement at the Council, please visit our webpage; <https://www.darlington.gov.uk/business-and-licensing/business/procurement/>  
Details about procurement opportunities can be found on the Open E-tendering system;

<https://www.open-uk.org/>

Contact details for the Procurement Team are available on the Council webpage; <https://www.darlington.gov.uk/business-and-licensing/business/procurement/>