

Procurement Strategy 2020-2023



Foreword

We have talked about unprecedented times, previously it was coping with the many years of austerity and when we found ourselves just being able to see some light at the end of the tunnel, we have now been thrown into the midst of even more uncertainty as we look to deal and recover from the effects of Covid 19.

But what these unprecedented times have shown, is just how resilient the people and communities of Brent are. It has been a humbling experience to see our borough unite with such selflessness, care and compassion, in supporting our most vulnerable through these difficult times.

Now, as the Council looks to continue to support our recovery within Brent, it's more important than ever to ensure that every pound invested in our community contributes to our objectives and allows the Council

to find opportunities to help local businesses, the voluntary sector and the community as a whole, in the most appropriate and transparent way.

Brent Council spends approximately £400m per year across its supplier base to support its various activities; from keeping the streets clean, to providing care and support for our most vulnerable to building and creating new affordable housing for residents in the heart of our communities.

Increasing investment in Brent sits at the very heart of our new procurement strategy, and through this we will seek every opportunity to ensure that local businesses form part of the Council's supply chain.

For this to continue, procurement has a pivotal role to play in supporting much of what the Council is looking to do in Brent. This document sets out how the Council is looking to align our priorities and embed the five key pillars of the Procurement

Strategy to achieve the economic, social and environmental benefits for Brent.

The road ahead will not be easy, as we look to recover from one of the biggest economic and public health crises we have had in our history. However, we have the skills and tenacity to succeed, and with our new procurement strategy, we have a solid foundation and a clear direction through which we can drive forward the initiatives at the heart of this Council to build a better Brent.



Cllr Margaret McLennan
Deputy Leader, London Borough of Brent



Cllr Margaret McLennan

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Aligning the principles

Central to this strategy is delivering better procurements in line with the Council's strategic priorities that are set out in the borough plan "Building a better Brent".

It is also fundamental for the Council to ensure that the organisations and individuals it does business with, have a culture and values which aligns with the Council's.

This includes awareness and adherence to the UK Law and Brent Council policies. For example, Health & Safety Acts and regulations, Safeguarding, Equality & Diversity, Confidentiality & Publicity, Data Protection, Freedom of Information, the Modern-Day Slavery Act, Anti-Terrorism and Anti-bribery.

Through implementing this strategy the Council will be contributing to the economic growth of the borough, including improved infrastructure and housing. The Council promotes effective procurement across the Borough, by having regard to local employment and skills shortages, social value, localisation and ensuring wherever possible contracts are Small and Medium Enterprise (SME) friendly.

The pillars and values ultimately feed into the Council's priorities:

- Strong Foundations,
- Every Opportunity to Succeed;
- A Future built for everyone, an economy fit for all;
- A Cleaner, more considerate Brent;
- A borough where we can all feel safe, secure, happy and healthy.





Five Core Pillars of Brent's Procurement Strategy



Five Core Pillars of Brent's Procurement Strategy

Brent's Procurement Strategy comprises of five pillars.

These are core to Brent Council and will be embedded in the way we procure goods, services and works contracts over the next three years as a minimum to support the Council's top priorities.

1

**Community
Wealth Building**

2

Sustainability

3

**Circular
Economy**

4

**Social Value
and Ethical
Procurement**

5

**Active
Procurement**

1 Community Wealth Building

The Local Authority is well placed as an Anchor Institution to promote opportunities for SMEs, employee owned businesses, social enterprises and other community based or owned businesses, which in turn will help support the aim of recirculating wealth and surplus locally but primarily within the borough of Brent.

Community wealth building should not be considered a 'quick win' but with support and backing of the Council, this Procurement Strategy can help to contribute in its development.

Thereby as we progress embedding community wealth building within our procurement psyche, supplier base and community, the success which comes from future procurements can be used as a catalyst to engage with other anchor Institutions to explore and incorporate this programme within their

organisations. Examples of anchor institutions in Brent would include, NHS trusts, trade unions, large local businesses like Wembley Stadium and housing associations.

It's important to develop strong links with other anchor institutions as this will give us the ability to leverage our collective spend, review economies of scale and see how best placed the community of Brent could support those procurement opportunities by developing programmes for nurturing the entrepreneurial spirit, diversity and experiences of local communities across Brent, which could lead to local businesses and local communities having a bigger stake in the local economy.

Community wealth building coupled with the other pillars within this strategy and working alongside other initiatives across the Council will

help to address the various inequalities our residents experience by focussing on generating economic growth and supporting financial security within our local community.

This will be supplemented by our work with the Cooperative Councils Network whose role recognises the need to define a new model for local government built on civic leadership, with Councils working in equal partnership with local people to shape and strengthen communities. This means a new role for local authorities that replaces traditional models of top down governance and service delivery with local leadership, genuine co-operation, and a new approach, built on the founding traditions of the co-operative movement: collective action, co-operation, empowerment and enterprise.



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2 Sustainability

Brent Council is committed to adopting a sustainable approach for all products and services it procures. By harnessing our purchasing power we will: help combat climate change and reduce carbon emissions; reduce waste; save resources; improve air quality; and enhance green space and promote biodiversity.

Improving sustainability throughout our supply chain is an essential component of our commitment to reduce our environmental impact and lead by example. We will seek every opportunity to drive sustainability through our procurements, with the following representing some of the ways through which we will achieve this:

- As a minimum, comply with all relevant environmental, social and procurement legislation.
- Minimise the environmental impacts across design, construction and operation, as well as services and goods provision.
- Integrate environmental considerations throughout the procurement process; from options appraisal to contract completion, applying appropriate significance.
- Support our goal of carbon neutrality by 2030 and reduce the carbon dioxide emissions from contracted services.
- Reduce energy consumption and maximise the use of clean and/or localised energy sources.
- Reduce the energy consumption and subsequent contribution to the Council's carbon footprint from ICT equipment and electrical appliances.
- Ensure that waste is reduced, reused, and recycled wherever possible.
- Support the Council's aim to reduce usage of plastic and reduce plastic waste.
- Increase the amount of reclaimed, reused or recycled materials.
- Prioritise services with circular economy and closed loop systems.
- Support services that support improved air quality and healthy streets in the borough.
- Reduce transport impacts through reduced and smarter delivery options and encourage greener vehicles in freight services on the Council's behalf.
- Ensure green purchasing of products such as office stationery, printed materials, marketing materials, horticultural supplies and textiles.
- Avoid the unnecessary use of chemicals, and prevent the use of hazardous chemicals wherever possible on our own estate and within our contracted services.
- Support options that encourage biodiversity and green infrastructure.



3 Circular Economy

Our aim is to create a more circular economy in Brent. We will do this by promoting effective review and discussion across the Council about how we procure in a broader context. Considering different options, asking different questions, analysing the needs of the organisation and community so the market is clear that within Brent our approach is to create a more circular supply of products and services.

Whilst developing the circular economy within Brent will not be without challenge, the benefits of doing so will be felt by residents and business for generations to come. In the short-term it will encourage and reward innovation, providing opportunities for new and existing businesses to help redefine the way that goods and services are used. As the circular economy matures and expands it will deliver further long-term environmental benefits and help Brent toward achieving carbon neutrality.

We will achieve this by taking the ethos of embedding sustainability into everything the Council does a step further. Moving from a linear (purchase, produce, use and dispose) to a circular economy (produce, use, repair, recycle) means we can make the earth's limited resources last longer by keeping items in high value use for as long as possible.

It is not only good for the environment, it is also good for society and the economy as more jobs could be created through a repair, refurbished and recycling economy with possible opportunities for SMEs in educating, training and signposting to drive innovative ideas to support the circular economy.

Overall there should be social, financial and strategic benefits realised by driving the market in a more circular direction.

"we can make the earth's limited resources last longer by keeping items in high value use for as long as possible"



4 Social Value and Ethical Procurement

Brent is firmly committed to social value and has joined the Co-Operative Councils' Innovation Network; a collaboration of 32 likeminded authorities, with a view to finding better ways of working for, and with, people to the benefit of their communities.

Social value can help support Community wealth-building aims to revive local economies, renew trust in local services and deliver a renaissance of local government; by giving businesses and communities a bigger stake in the local economy.

To enable and support this vision, we have developed a new Social Value and Ethical Procurement Policy which sets out how we will ensure that our community is central to the way we purchase goods and services, demonstrating that small changes can have big impacts across the local economy.

This policy was agreed by Cabinet in April 2020 and now forms part of the overall Procurement Strategy. <http://democracy.brent.gov.uk/documents/s96911/12a.%20Appendix%201%20-%20Social%20Value%20Policy%20and%20Ethical%20Procurement.pdf>

"Social value can help support community wealth building aims to revive local economies, renew trust in local services and deliver a renaissance of local government"



5 Active Procurement

High quality procurement support is not only essential for delivering better procurements, but also for developing a knowledge and intelligence base of data that can help support the delivery of Council priorities. The term 'active procurement' highlights that we have an ongoing commitment to developing our key internal resources that enable us to be innovative, reflective and proactive. Through these activities we aim to deliver £2m reduction in procurement spend during the period of this strategy, whilst ensuring we continue to provide the very best support to the Council and the community of Brent.

Active Communication

- Creating opportunities to engage with Members, setting out how we are supporting their strategic priorities and the affect it's having on the communities they represent.
- Constantly creating opportunities to engage with our stakeholders, developing a knowledge base on how various directorates are supporting the Council's strategic priorities.
- Reaching out to create opportunities to engage with the community, local businesses, the voluntary sector, through forums like supplier events and hub meetings.
- Through this process, building a repository of intelligence and using it to enable us to be best placed to provide appropriate guidance, developing a consultative approach across the Council to all our procurements.

Active Learning Developing and Resourced

- From the procurements we have undertaken, always following up with a lessons learnt and striving to ensure we are making effective use of public money and continuously looking for opportunities to develop our local supplier base.
- Looking inward as a Procurement function to ensure we are appropriately trained and guided, with the appropriate tools and data to deliver the procurement strategy.
- Providing opportunities to develop skills and knowledge, as well as creating procurement career pathways that will enable the Council to attract and retain the best talent.
- The Council will continually review how its procurement function is resourced, to appropriately support and deliver the challenges of the Procurement Strategy.



5 Active Procurement (continued)

Actively contract managing

- Ensuring we have captured all our contracts on a central contracts register to support effective contract management.
- Ensuring all contracts for major and operational contracts have appropriate KPIs and outcome measures included.
- Learning from suppliers and stakeholders to understand how performance and outcomes have been delivered and can be improved, along with lessons learnt to build into future procurements.
- Undertaking benchmarking exercises of pre-agreed services and continuously working to strive to extract maximum value from our contracts.
- Identifying appropriate contracts and suppliers that would benefit both parties in turning contract management into Supplier Relationship Management (SRM).
- Producing an annual report on the performance of our contracts and additional benefits extracted over and above through our SRM relationships.

Active Analysis

- Data integrity and intelligence is key to good procurement. Therefore we need to ensure our current learning and issues identified are fed through into the implementation of Oracle Cloud.
- Have the ability to generate reports that provide a complete understanding of our contractual spend and supplier make up, including local versus non local spend, building on the intelligence already gained from the existing data mining and segmentation of spend data exercises.

Actively Making it Happen

- Reviewing progress, across the pillars of the procurement strategy through effective governance arrangements in place to monitor progress, including six monthly reports to the scrutiny committee and an annual report to cabinet.
- Taking on board feedback from all stakeholders (internal and external) and constantly striving through our procurements to deliver maximum, social, environmental and economic benefits for our local communities.
- Providing guidance through spend and contract information on where our focus should be in supporting the Council's objectives while balancing the need to make efficiencies.



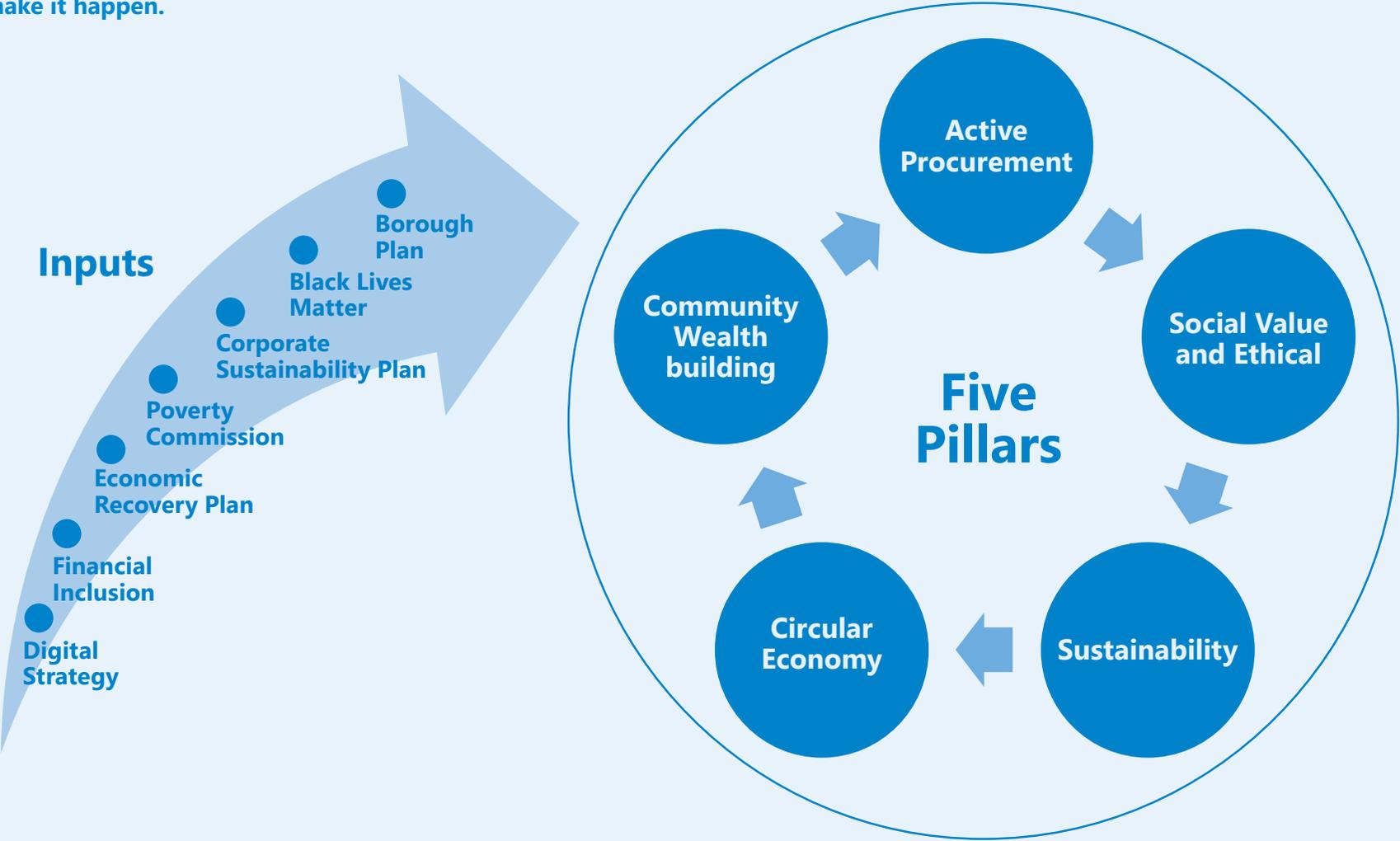


Making it Happen



Making it Happen

Here we can see the interdependence between the pillars and the steps that need to be taken to make it happen.



Community Wealth building

The Council is a key anchor organisation within Brent and can lead by example to encourage and support community wealth building.

To create community wealth from a procurement perspective we need to understand the local supplier base

- Conduct research, identify supplier engagement activities, and work with key local supplier representatives to understand more of what our local supplier base comprises of.
- Conduct a gap analysis to show what we are looking to procure at a micro level across our programmes of work versus the types of local suppliers.

Identify opportunities where existing suppliers can bid for work

- Reconciling the work conducted at a micro level to highlight programme requirements over the coming years.
- Through supplier events and by improving our online offer specific to local suppliers, enabling them to learn more about the support available, future opportunities and how to register onto the procurement portal.

KPI/Outcome delivery

Increase the number of local suppliers we use within Brent year on year from our current baseline.

Indicators

- Number of contracts awarded to local suppliers.
- Amount spent with the local supply chain.
- Number of local suppliers within the supply chain.
- Number of local suppliers used in our larger contractors supply chains.



Community Wealth building (continued)

Identify areas where further development of the supplier base is required

- Gap analysis will highlight where we need to encourage development of new local suppliers.
- Procurement working with key departments can look to support this through training programmes, communication of future Council requirements, and signposting to encourage businesses to diversify.

Targeting procurements for the local supplier base

- Identify the number of social enterprises, for example, mutuals, co-operatives, community interest companies etc. in the local community.
- Understand what services they can provide and look to conduct preferred contract procurements targeted to social enterprises in line with current legislation.
- Through our procurements, create links for larger suppliers to use our local supply chain in delivery of the required project, capturing the number of suppliers and amount spent within the local economy.
- Work with key departments to encourage the creation of more social enterprises that will support community wealth building.

Broadening the scope

- Building on the work above and start engaging with other anchor Institutions.
- Specifically looking to identify opportunities where leveraging of spend will enable all involved to provide more opportunities for the local economy.
- Using an evidence based approach to demonstrate the journey, intelligence around local suppliers base and social enterprises, as well as successes with regard to increases in the amount we have been able to spend within the community.



Sustainability

Creating a Procurement Sustainability Policy

- Incorporating the principles of the Council's sustainability agenda into a formal policy.
- Working with key departments to ensure it capture all aspects relating to the procurements that will be undertaken.

Communicating the importance of the Procurement Sustainability Policy

- Working across the Council setting out what the policy is looking to capture and address.
- Providing guidance on how we are looking to incorporate this and building in feedback.

Implementing the Procurement Sustainability Policy

- Once agreed including the policy within all tenders.

KPI/Outcome delivery

Reduce waste through recycling.

Indicators

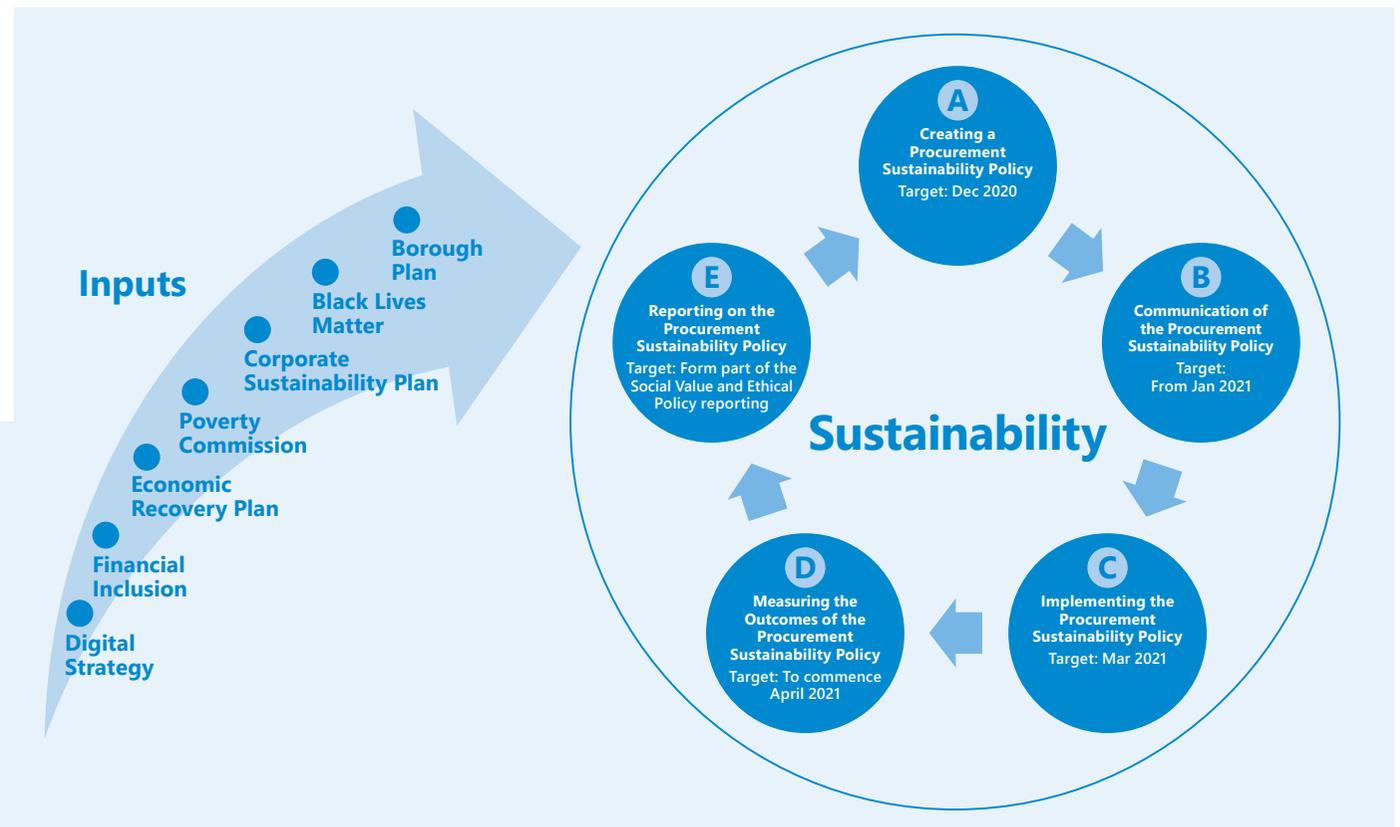
How many of our suppliers comply with ISO 14001: 2004 or equivalent and work towards ensuring as many suppliers within our existing supply chain are conforming. Moving forward it forms part of our evaluation criteria for suppliers wishing to work with the Council.

Measuring the outcomes of the Procurement Sustainability Policy

- Including appropriate questions related to the procurement to understand how the environmental impact will be mitigated.
- As the Social Value and Ethical Policy has a KPI around the greener agenda, procurement colleagues will work with each service to determine how best to assess the impact when measuring sustainability.

Reporting on Procurement Sustainability Policy

- Social Value Action Plan reporting template will capture all elements related to the Sustainability agenda.
- This will be reported through to Cabinet as part of the annual Social Value and Ethical Policy reporting.



Circular Economy

Promoting the understanding and benefits of the circular economy within the Council and to the community as a whole.

- Identifying across the variety of forthcoming procurements where we can utilise and embed the circular economy principles.
- Using the intelligence gained from local supplier research and gap analysis to identify opportunities to encourage local suppliers to promote the longevity of resources that we are using.

- This will be further supplemented by procurement work with key directorates to share intelligence on how the entrepreneurial spirit in Brent can support this.
- Building the opportunities identified into our procurements and contracts through the circular economy principles, along with the ability for the local supplier base to be used in the repair, refurbishment and recycling process.

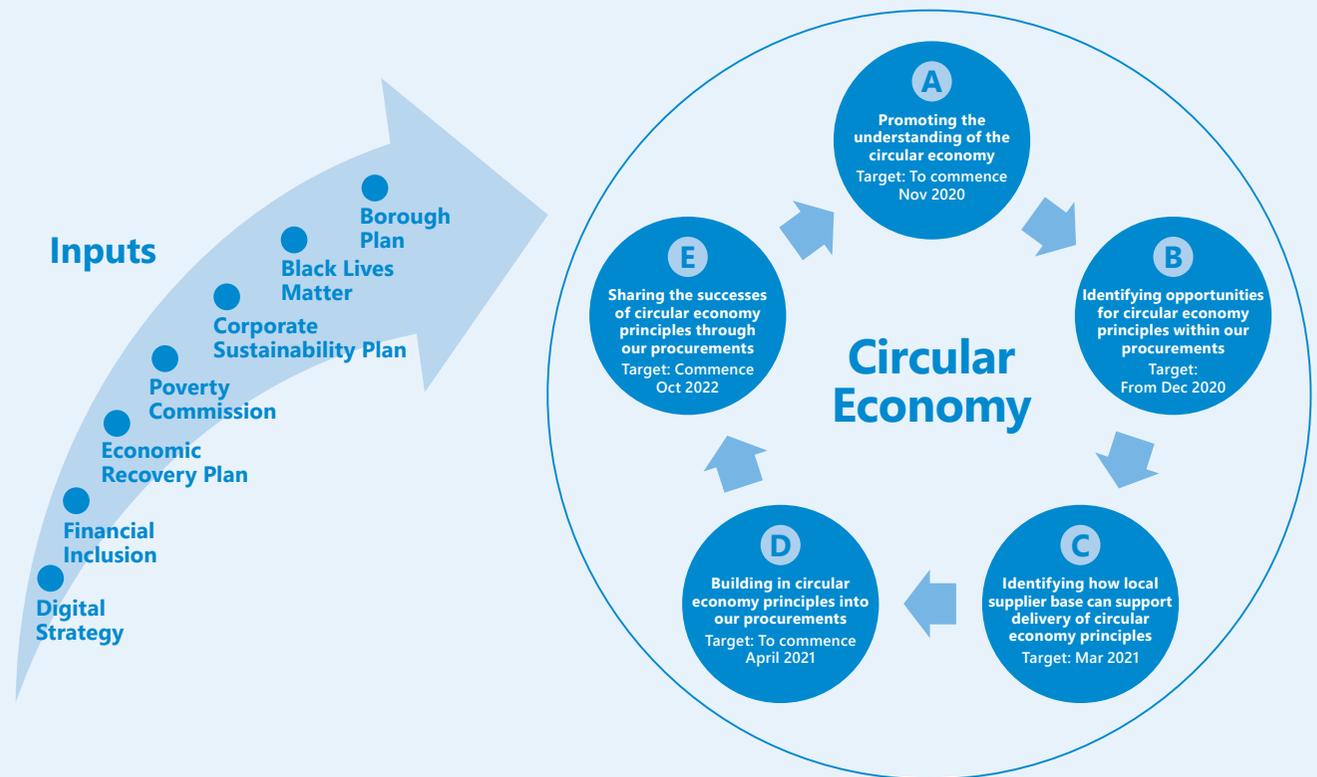
- Encouraging confidence and uptake across the Council by promoting examples of procurements where circular economy principles were applied and are being delivered.

KPI/Outcome delivery

Reduced use of natural resources by purchasing goods and services using recycled materials and facilitate increased investment with local businesses who operate within the circular economy in Brent.

Indicators

- Percentage of businesses operating within the circular economy.
- What percentage of goods and services used in the supply chain are recycled.
- What percentage of good and services are recycled within supplier's organisation?
- What percentage of goods and services are recycled using the local supplier base?



Social Value and Ethical Policy

The Social Value and Ethical policy was agreed by Cabinet in April 2020 and now moved into the making it happen phase.

- Agree a new Social Value and Ethical Policy.
- Include the Social Value and Ethical Policy within our tender documentation.
- Create a Social Value Action Plan template as part of our tender documentation.

- Create a mechanism for collating and identifying all Social Value contractual commitments in line with Council priorities to enable the compiling of an annual report to Cabinet.
- Continue to share learning and build up a list of Social Value Commitments, working across the Council and local communities.

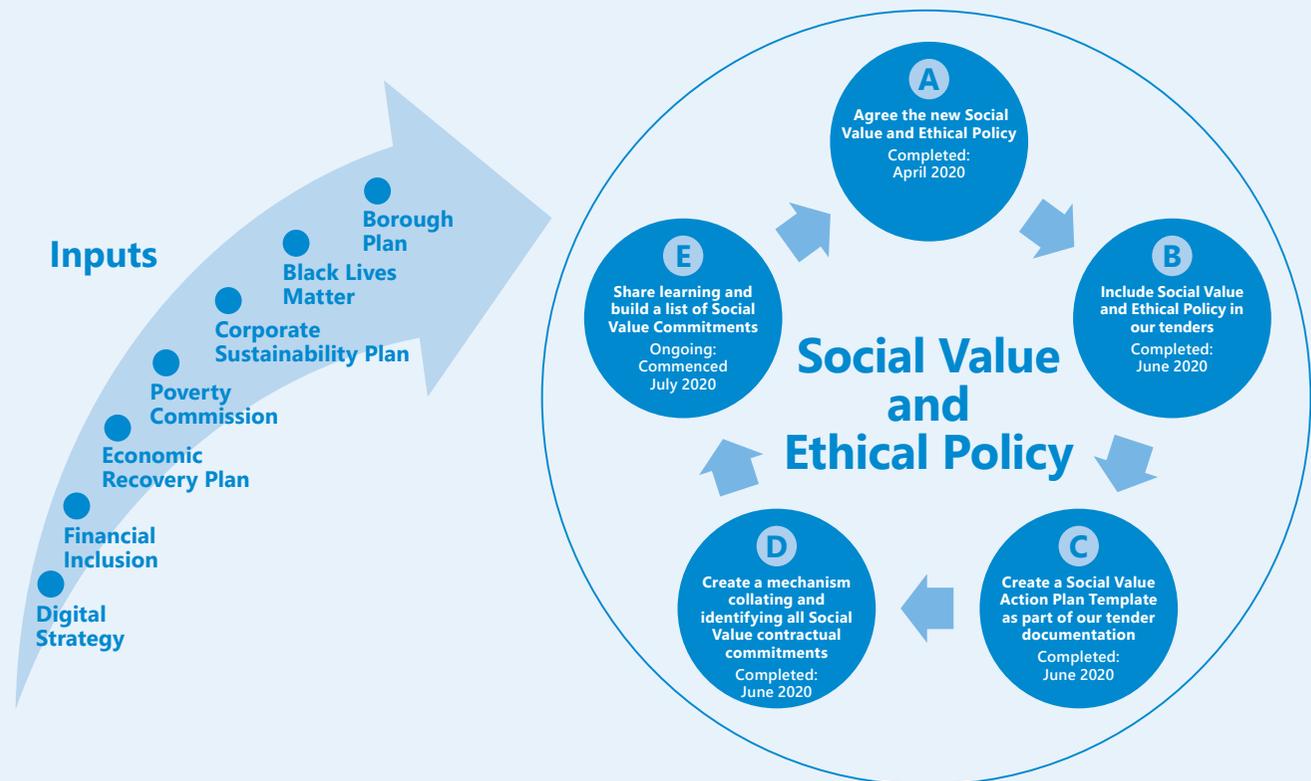
KPI/Outcome delivery

Local investment from Brent contracts.

Indicators

- Number of Brent organisations who participate in the Councils supply chain.
- Supporting innovative delivery models such as co operatives, community interest companies, social enterprises.
- Total amount of social value delivered through Brent Contracts.

See Brent's Social Value and Ethical Procurement Policy for a full list of key performance indicators.



Active Procurement

Active Communication

- Instigate a number of Member briefing and training sessions on key Council priorities that relate directly to procurement.
- Report monthly to the lead member of current, forthcoming and completed procurements.
- Utilise senior management teams across the Council to highlight key procurement initiatives and review performance against delivery the delivery Councils priorities.
- Develop a timetable of supplier and community engagements, directly building on the work being undertaken through the other pillars of the procurement strategy.
- Consolidating the work being undertaken across the five pillars into an annual Procurement Strategy report to Cabinet.

Active Learning Developing and Resourced

- Set up a process to undertake a lessons learnt after each tendered procurement, to inform an action plan that will address any issues highlighted, reviewed quarterly.
- Quarterly sessions to identify areas of additional knowledge that will enable the Council's procurement resource to continue to support the delivery of Council priorities.
- Continually review how the Council's procurement function is resourced in order to ensure it is equipped to support and deliver the challenges of the Procurement Strategy. Additionally, to consider opportunities to build on the existing structure, in particular to strengthen contract management and analytical capacity.

Active Contract Management

- Working with directorates across the Council to create a contracts register baseline of all known contracts we are actively spending against.
- Work with Directorates to identify all major contracts. Supporting contract managers directly for those identified to ensure the contract management and performance is achieving contractual commitments.
- Create a process to assess major contracts mid-way through their contract term and use this evidence to determine overall performance and next steps.
- Producing a report on the performance of contracts and additional benefits extracted over and above, through our Supplier Relationship Management (SRM) that feeds into the annual procurement strategy report to Cabinet.



Active Procurement (Continued)

Active Analysis

- Working with key departments to ensure there is full awareness of data requirements and how this feeds into supporting the Council's priorities.
- Building clear links between key departments to ensure we work collectively to deliver a successful Oracle Cloud implementation.

Actively making it Happen

- Building in the milestones set out across all the pillars in the Procurement Strategy and reviewing regularly to make sure we are on track.
- Consolidating the work being undertaken across the five pillars into an annual Procurement Strategy progress report to Cabinet.

KPI/Outcome delivery

Deliver a reduction in procurement spend during the period of this strategy – target £2m

KPI/Outcome delivery

Provide commercial intelligence to ensure we are achieving value for money

Indicators

- **Spend analysis:** Producing annual reports showing how we spend our money identifying opportunities of leveraging decommissioning and commissioning activities to best support the Council strategic priorities.
- **Effective Contract management:** Maintain a contract register and work with Directorates/ Sections to identify opportunities to bring different services together under one contract.

