



PROCUREMENT

Joint Working Initiative - Procurement Capacity

Summary

In 'Towards a National Strategy for Local Government Procurement', the Office of the Deputy Prime Minister (ODPM) and Local Government Association recommended, in response to the Byatt Review, that all county and unitary authorities incorporate a procurement function to be of comparable status with legal, personnel and accounting.

Smaller district councils have however found it difficult to justify the employment of a procurement specialist to lead on the full scope of procurement issues.

This case study explains how Northampton BC, Kettering and Wellingborough District Councils collaborated in developing a joint procurement capacity.

The National Procurement Strategy for Local Government advocates that councils should:

- Procure and commission jointly
- Create shared services in particular, smaller councils who have relatively less capacity to deal with procurement in a corporate way.

How it started

Kettering, Northampton and Wellingborough Councils had previously undertaken some joint contracting on issues such as sheltered housing, call equipment maintenance, and recruitment advertising. It was on this basis that discussions developed on how the issues of procurement capacity and collaborative working could be developed to the benefit of all parties. Early discussions considered Northampton's established Corporate Procurement Unit which:

- Develops corporate procurement policies and procedures
- Instigates the aggregation of goods and services in common use across the council
- Undertakes the procurement process
- Develops agreements
- Manages contracts for the benefit of all departments
- Provides a range of services from advice to undertaking the full procurement process for departments on specific procurement projects
- Liaises with consortia (NBC is a member of the CBC)
- Maintains a register of agreements with suppliers
- Identifies areas of spend and plans the tendering process
- Develops and promotes appropriate contracting strategies relevant to the goods services or works required
- Has developed various document templates for use in the tender/contracting process.

The councils explored how the following could be achieved:

- Access to Northampton's existing contracts
- Use of Northampton's expertise
- Development of joint contracts.

The benefits sought:

- Reduce costs through larger value contracts
- Reduced procurement process costs through collective working
- A greater level of expertise and resource being brought to the procurement process
- A cross-fertilisation of knowledge and good ideas between councils.

Model Chosen

The model developed involved Northampton employing an additional Procurement Advisor, who would be funded by Kettering and Wellingborough. The advisor post would work part-time in Kettering, Wellingborough and Northampton, the perceived benefits of this approach were that it:

- Provided both Kettering and Wellingborough with an officer to lead on procurement issues within their respective councils
- Provided Northampton with additional procurement resource
- Allowed all three councils to develop joint contracts with a resulting larger contract value
- The additional Procurement Advisor leads on procurement issues for Kettering and Wellingborough with support from the Team at Northampton on specific contract areas.

Formal Agreement

Having established a formal agreement between the three councils an additional Procurement Advisor was recruited and commenced work in October 2003.

The role of the Procurement Advisor is to:

- provide Kettering and Wellingborough with procurement expertise
- provide Kettering and Wellingborough with access to existing Northampton contracts
- develop joint contracts where there is a common requirement from the councils
- develop contracts for Kettering and Wellingborough (based on Northampton document templates) where a council has a specific individual requirement
- assist in the ongoing evolution of procurement strategies for Kettering and Wellingborough District Councils.

Contact

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