

Briefing Paper on the Corporate Procurement Strategy 2021 – 2024 Consultation Results

Background

The Corporate Procurement Strategy 2021 – 2024 was put out to consultation through a survey in August 2021 following input from Councillor Joan Lloyd.

The consultation email was sent to 650 possible respondents (39 members, 61 staff and 550 businesses) including Biz4Biz, Herts Chamber of Commerce and the Federation of Small Businesses. The strategy consultation was targeted by individual email although there was an opportunity for additional businesses to participate via a link advertised through the Councils social media and for Council Officers through the intranet.

There were 19 completed survey responses received and a further 4 written responses. All of the responses have been included in this report.

There were 8 completed responses from businesses and 11 from Council Officers, there were no responses received from Members.

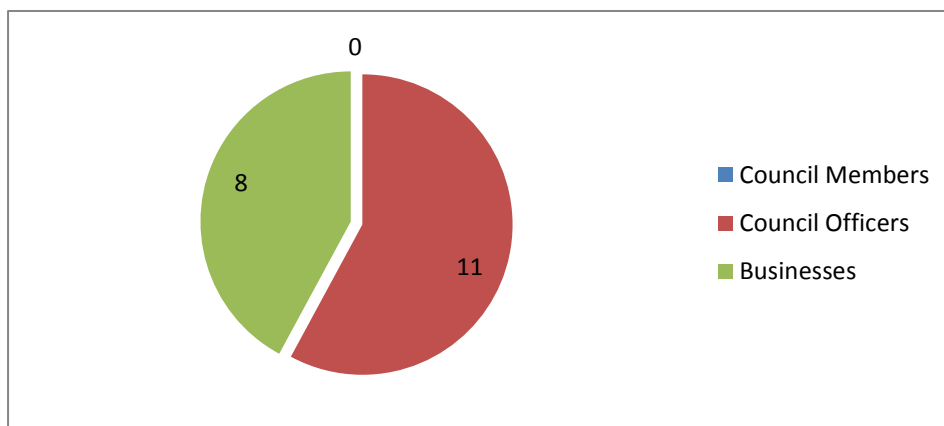
The businesses were asked to tell us about the main products and services that their business provided so some businesses fit into more than one category. The other areas included consultancy, information and communication technology, art and leisure services, horticulture, health, clothing, human resources, electric components and assemblies, commercial property advisory services, education, playground equipment, stationery and indoor and outdoor screens.

The survey response and sample size was small at 19 from a possible 650 (2.92%) but the results were positive to the Strategy with the exception of some of the written responses to the 'No' questions which have been included in the survey results.

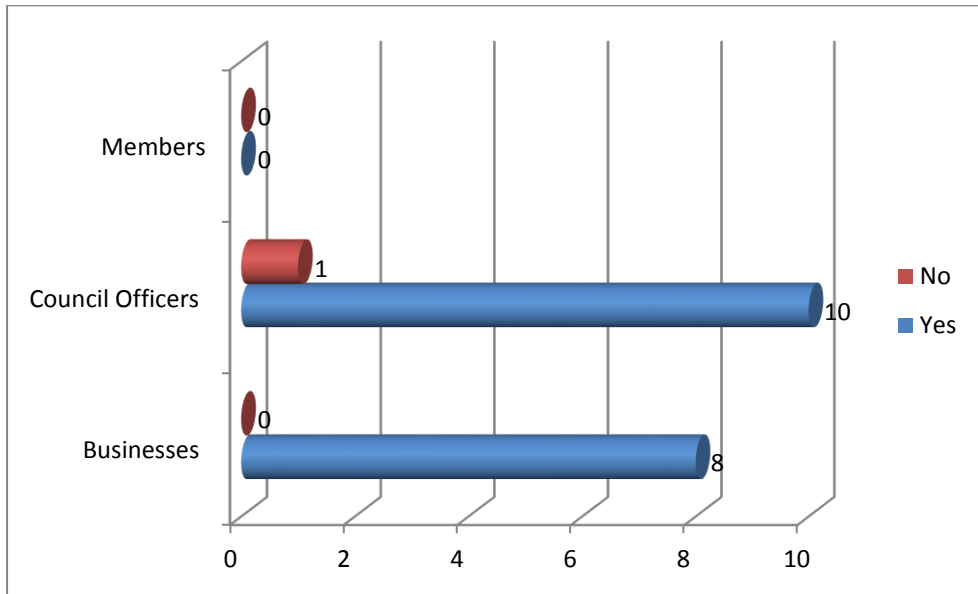
The 550 businesses invited to comment on the survey were local businesses in receipt of the Council's Economic Bulletin.

Survey Results

Question 1: Are you a Council Member, a Business or a Council Officer?



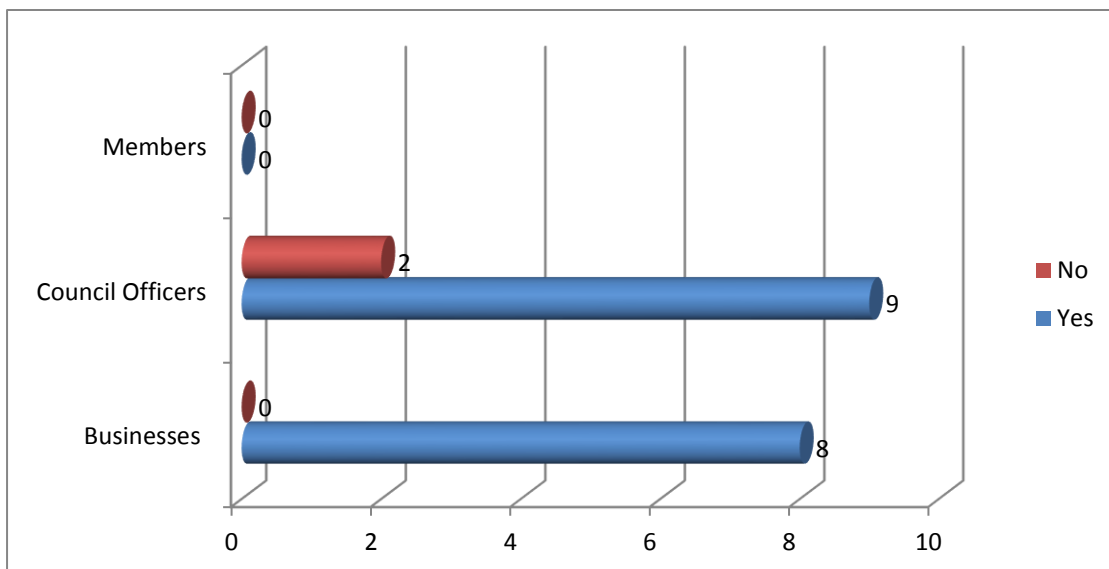
Question 2: Having read the draft strategy, do you think it will encourage local and small businesses to bid for council contracts?



Written information supplied to 'No' answers (Council Officers):

- It is fine for bigger companies who understand Local Government processes but from a small business perspective it seems complex and difficult in particular the jargon and policies they have to have in place.

Question 3: Do you think the strategy supports Stevenage Borough Council in being fair and open to all potential suppliers?



Written information supplied to 'No' answers (Council Officers):

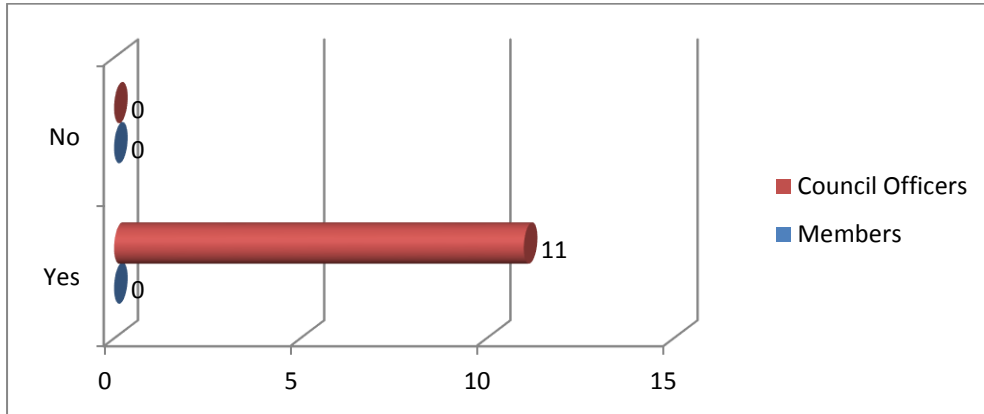
- It will exclude many small businesses as they don't have the knowhow or time. Fine for bigger businesses though.
- Although on the face of it the strategy is fair, it doesn't make a particularly strong bid to show diversity and inclusivity and therefore attract suppliers who normally would be left out. I believe the language should be more deliberate about targeting not just the smaller suppliers, but also the unusual ones or less culturally embedded.

Question 4: Please use the box below to add any other comments or suggestions

Council Officers	We need to include with the section 5 something about reducing expenditure/costs as well as income generation as both will ultimately reduce costs to the council.
Businesses	The Council should do all it can to ensure that organisations it contracts with to provide large infrastructure projects subcontract locally as much as possible.
	The system needs to be fairer for SMEs to be able to compete.
	We understand things are tough at the minute so therefore expect nothing.
	The report speaks of co-operative working. Although a co-operative council for some time now, it is evident that the behaviours of the council have yet to change. One example is the council recent claims of having held a Virtual Stevenage Day in 2020, whereas the limit of its involvement was to reach out to other organisations on our behalf and record a message from the Mayor and Leader of the Council.

Question 5: Do you think our five principle procurement foundations (community wealth building, sustainability, social value and ethical procurement, commercial and insourcing and pro-active procurement) are fit for purpose to meet the Council’s ambitions for 2021-2024?

This question was for Council Members and Council Officers only.

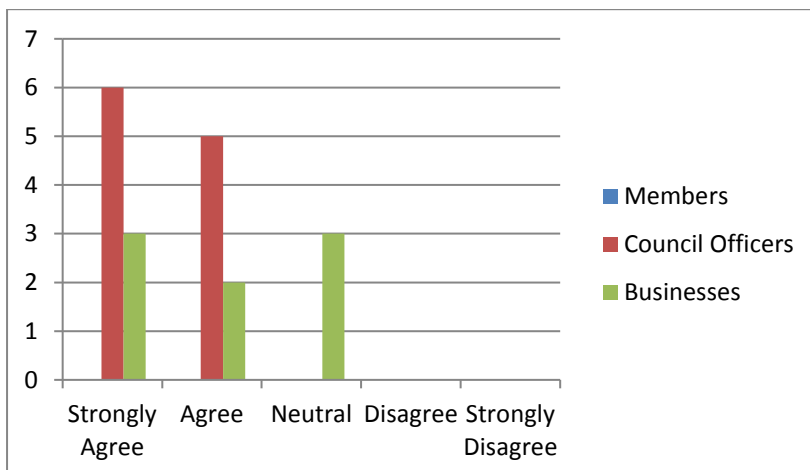


Question 6: To what extent do you agree with our proposed outcome delivery targets for each principle procurement foundation (on pages 18-26)?

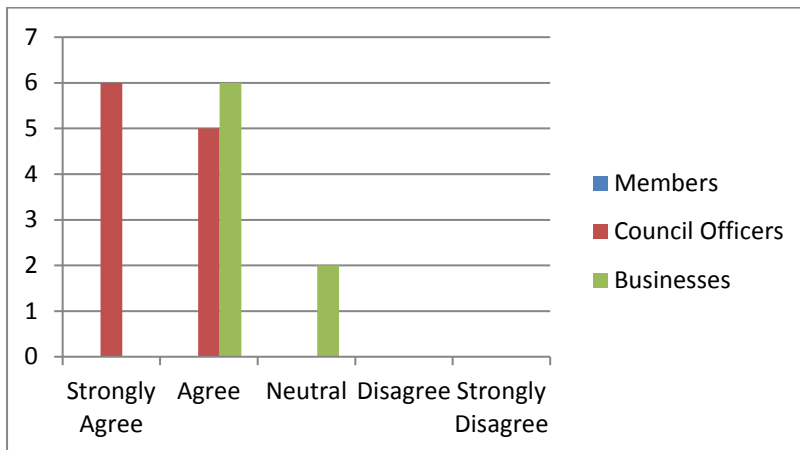
- Community Wealth Building?
- Sustainability?
- Social Value and Ethical Procurement?
- Commercial and Insourcing?
- Pro-active Procurement?

This question was based on a response of strongly agree, agree, neutral, disagree or strongly disagree.

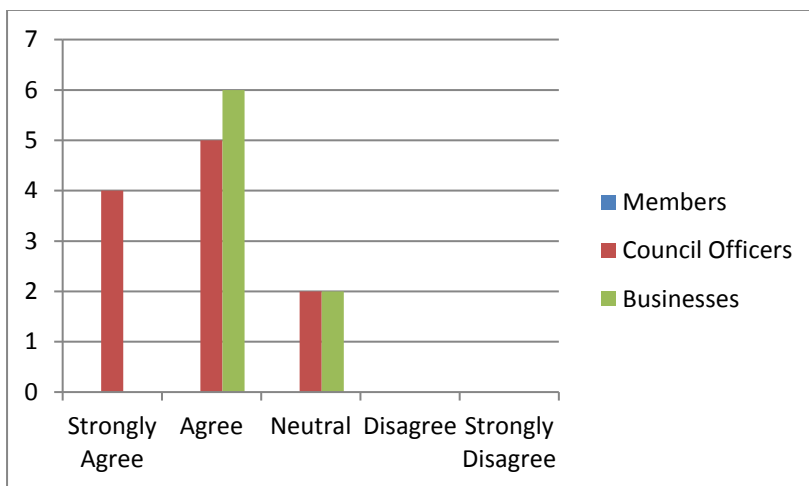
Community Wealth Building



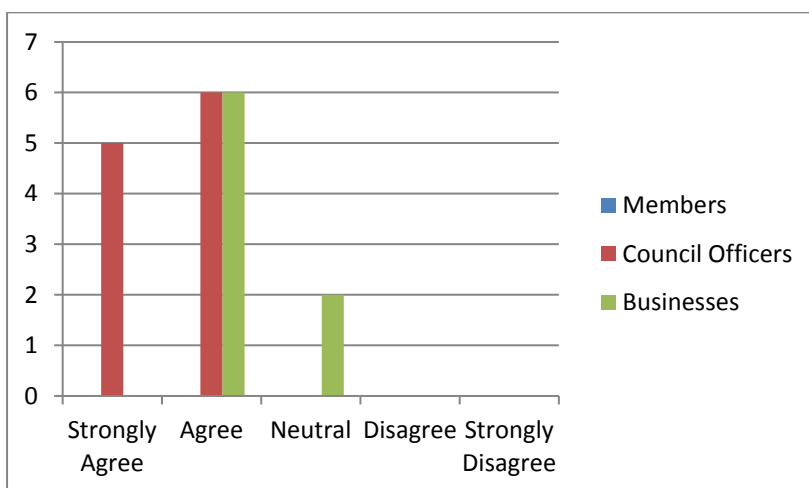
Sustainability



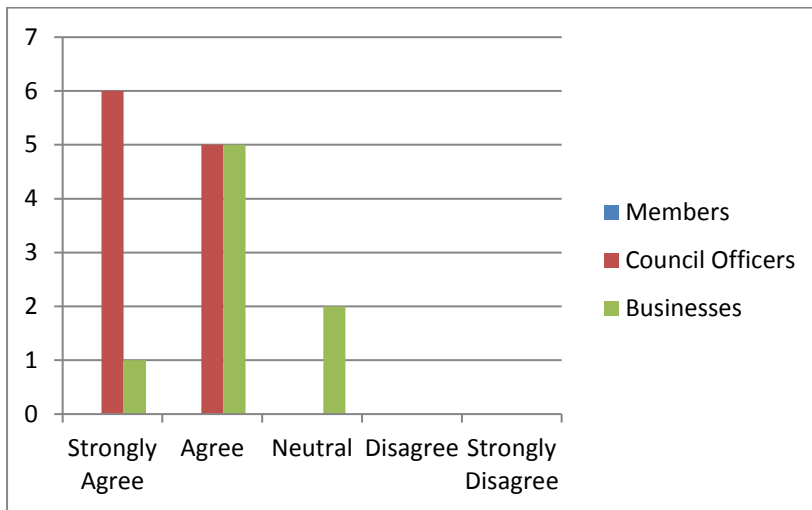
Social Value and Ethical Procurement



Commercial & Insourcing

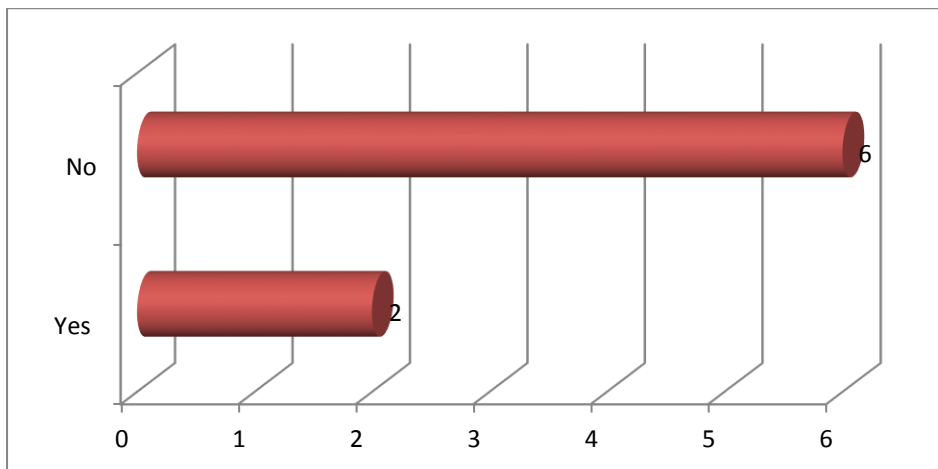


Pro-active Procurement



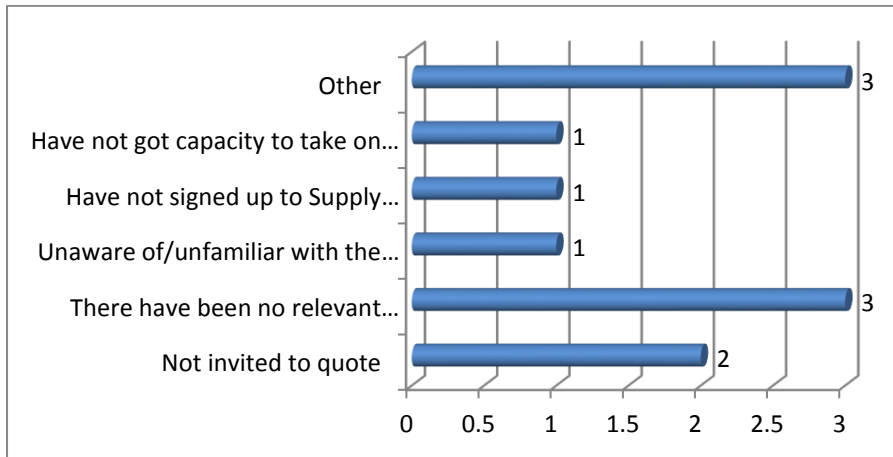
Question 7: Have you bid for a contract with Stevenage Borough Council in the last five years?

This question was for businesses only.



Question 8: Please tell us why you haven't bid for a contract with Stevenage Borough Council in the last five years (please tick all that are relevant)

This question was for businesses only.

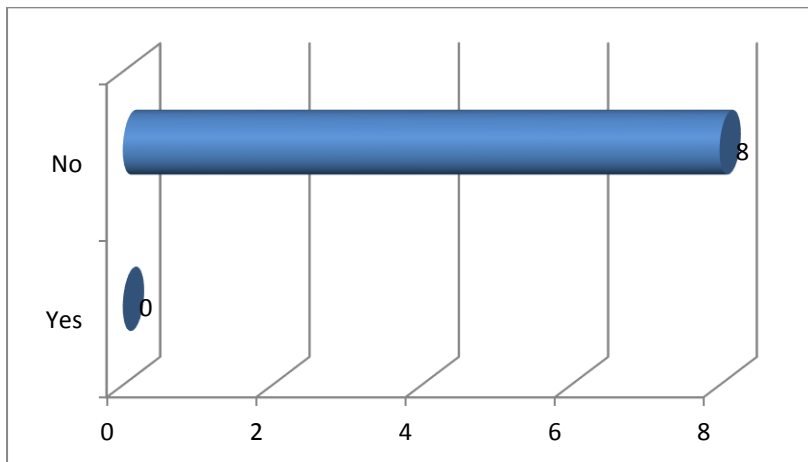


Written information supplied to 'other' answers:

- Only just opened
- Given up - Multiple Bids over 5 years ago there was lots of work for a small business and had no feedback when asked
- All of the above

Question 9: Have you been awarded a contract with Stevenage Borough Council in the last five years?

This question was for businesses only.



Question 10: Please tell us if there is anything Stevenage Borough Council could do to encourage you to bid for council business in future

This question was for businesses only.

Clarification of the business group that we fell into, didn't really reflect what we do but was the closest available.
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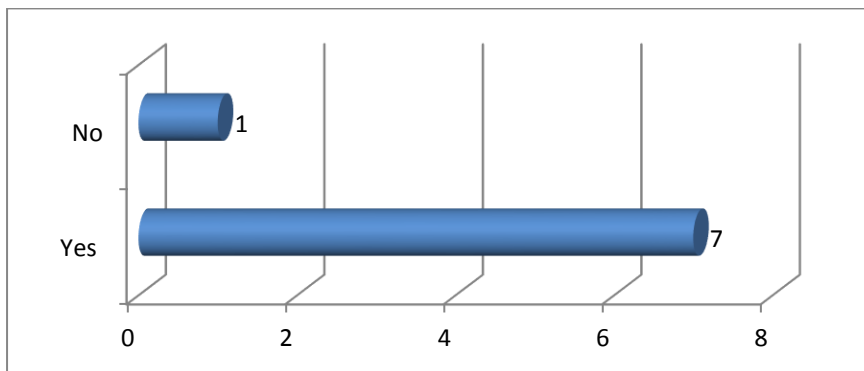
Allow new bidders to win contracts. There is a trend to allow new bidders and then just award the contract to the incumbent.
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Please email about procurement / resourcing opportunities etc.
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Feedback so we know how to adjust/improve within the bidding process
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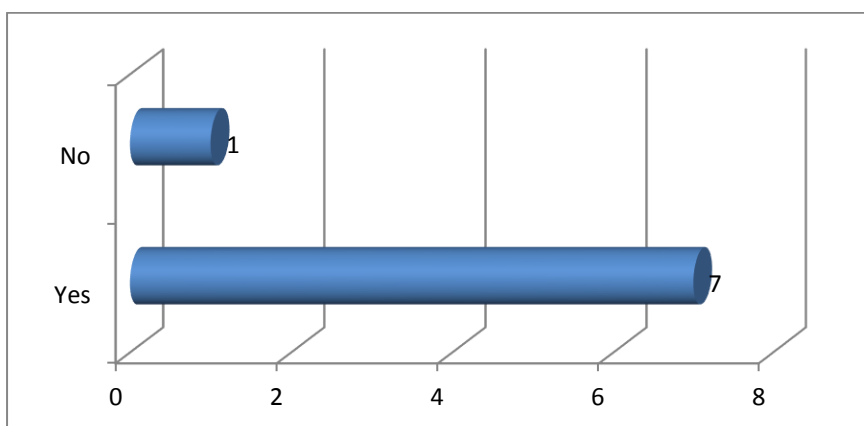
Question 11: Are you a small business with a turnover of less than £25 million per year?

This question was for businesses only.



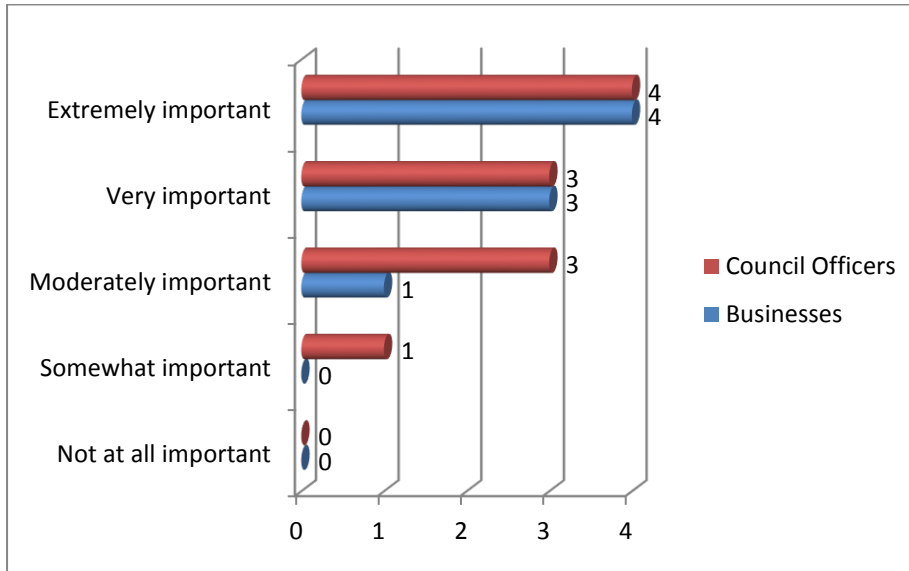
Question 12: Has your business got a base or outlet in Stevenage?

This question was for businesses only.



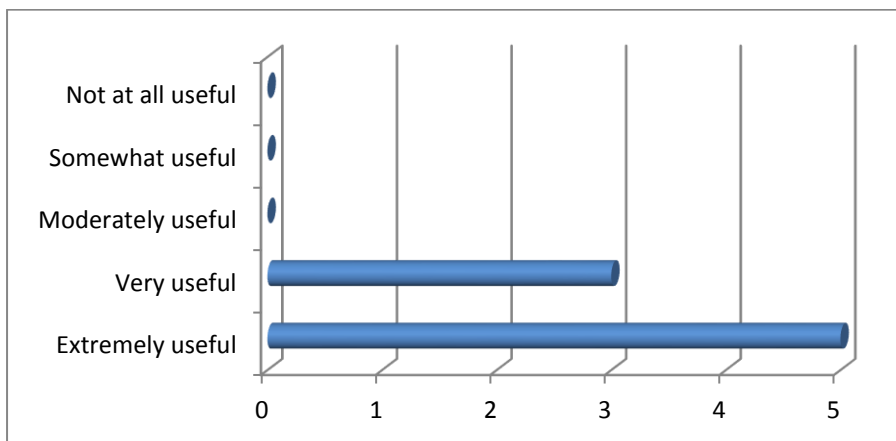
Question 13: We last consulted you on our Procurement Strategy in September 2016. Your feedback helped shape the final version that the Council approved. How important is it that we include this information to show how the Council listens to your views and acts upon feedback where possible?

This question was for Council Officers and businesses only.



Question 14: Our strategy has outcomes which support the Council understanding the local supply base and opportunities for local suppliers. How useful is this for your business?

This question was for businesses only.



A second part of the question asked to explain why the response chosen had been selected:

Extremely useful for a business like ours as it will allow us to assist all businesses/people in Stevenage which is a massive aim for us.

By procuring locally the Council not only supports local business but also reflects well on those companies. Not to procure locally is ultimately a poor reflection on the capabilities of local companies.

Unless you understand our business, its strengths and drives, how can you work with us?

Understanding what is required is half of the battle in winning work from the council as long as the awarding process is also transparent

You need to support your local businesses - they will then in turn support you

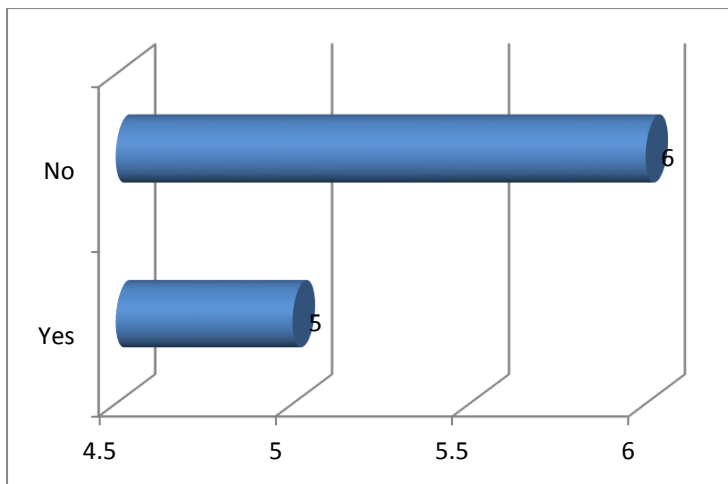
I think it's good to know updates and what's going on in the local community

Adding community to procurement helps but some environmental expectations are hard to balance whilst remaining commercial. However being such a small business along with ethical processes and procedures means our environmental impact is small.

As a local CIC we would benefit from having access to suppliers local to us to encourage community engagement.

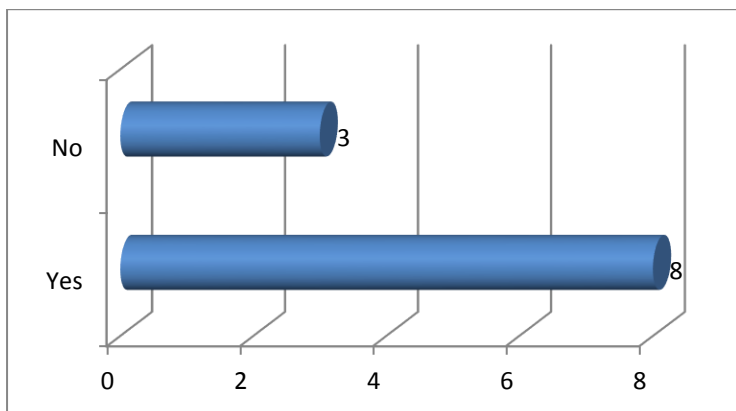
Question 15: Has your Strategic Delivery Unit let a contract to a local supplier in the last 12 months?

This question was for Council Officer's only.



Question 16: Do you think we need to do more as a Council to encourage small and local suppliers to bid for our business?

This question was for Council Officer's only.



A second part of the question asked to suggest ways the Council could encourage small and local suppliers to bid in the text box:

Further workshops for small businesses, regular communication published across website, social media etc. about the opportunities we have for local suppliers to bid for contracts
Departments need to be open to talking to new suppliers who could respond to quotes
Post smaller/relevant opportunities on our social media channels
Invite them in, contact them, talk them through the process and provide help and advice on policies
Provide support to local businesses to take them through the Tender Process - this can be quite daunting, and smaller organisations actively refuse a contract as they do not wish to go through the tender process
Where we advertise is important - work with bodies like the Equalities Commission, to deliberately welcome bids from specific groups.
Keeping it simple and easy to understand, giving them plenty of time as they don't have bid teams on hand. Encouraging officers to move away from price only bids for works as whilst less hassle this encourages officers to keep inviting only suppliers they already know and not adding new names to the pot.
Having an open forum to discuss work with suppliers in confidence to identify areas where opportunities might exist - i.e. before any formal procurement process - I bet there's stuff local firms could do that we don't know they can do, and they don't know we need it!

Specific Comments made by responders

The Council received some additional comments around the Procurement Strategy by email from a Member and from Council Officers, they are as follows:

- Could we consider a rebranding of the Strategy to “Co-operative Procurement Strategy 2021-2024 – Building Wealth in our Community”
- Can you please supply more in-depth information on the volume of external procurement of goods and services, so we can gain a sense of the scale of procurement across various budget areas, for instance: How much of the current £60m is divided between GOODS, broken down between IT, consumables, energy supply, stationery, office equipment etc. SERVICES, broken down between maintenance contracts on plant and equipment, professional services, other services. Turnkey contracts like construction projects.
- In the context of the Council’s spend; circa £60 million – I do wonder if there is more that can be achieved within the ‘commercial and insourcing’ theme to drive greater efficiencies and economies via smarter/joint procurements (internally across sections and externally with other authorities) and whether we need more of an emphasis focus on this. Even a tiny saving of 0.1% would achieve £60k towards the savings target.

Actions for Procurement

The Corporate Procurement Team will remind procuring Officers of the five principle foundations of the revised Corporate Procurement Strategy 2021-2024 and will work with the Contracts and Procurement Group to achieve the actions set within the five principle

foundations. The following outcomes will be highlighted to Procuring Officers via the Contracts and Procurement Group:

- Increase the number of local suppliers we use within Stevenage year on year from our current baseline
- Reduce waste through smarter procurement
- Measure the delivery of social value
- Increase the number of insourced contracts or where there is a commercial opportunity
- Provide commercial intelligence to ensure we are achieving value for money

Reminders to businesses to sign up to the Council's Supply Hertfordshire portal will be advertised through social media on a regular basis and Corporate Procurement will specifically respond to the participants of this survey to advise where the Council's tenders are advertised and the procedure relating to quotations.

Information Regarding Specific Comments made by responders

Question 2

Note 1 – The Council Officer suggesting that the process is complex and difficult in particular with jargon and policies in place for SMEs will be able to signpost suppliers to a webinar run by the Corporate Procurement team to help encourage and simplify the process.

Question 3

Note 2 – The Council Officer suggesting that the strategy will exclude small businesses as they do not have the knowhow or time will be signposted to both the URL for Supply Hertfordshire and to the webinar run by the Corporate Procurement team.

Note 3 – Corporate Procurement will work with the Council's Business Relationship Manager to support smaller, unusual or less culturally embedded suppliers to encourage them to register on the Supply Hertfordshire portal.

Question 4

Note 4 – The Council will 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.

Question 8

Note 5 – Corporate Procurement will advise procuring officers to give detailed feedback to all bidders of a procurement process when requested.

Question 10

Note 6 – as note 5 above.

Question 14

Note 7 – The Council will advise procuring officers to conduct research, identify supplier engagement activities, and work with key local supplier representatives to understand more of what our local supply base comprises of.

Question 16

Note 8 – The Council will deliver webinars to support and help local and small suppliers understand the public procurement process.

Note 9 – The Council will use social media to advertise tendering opportunities and will promote the registration of Supply Hertfordshire through these channels.

Note 10 – See note 7 above.

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