

4 Introduction and Background

- 4.1 This Council joined the existing Mid Kent Procurement Partnership between Tunbridge Wells Borough Council (TWBC) and Maidstone Borough Council (MBC) on 1st May 2024. The partnership between TWBC & MBC had been in place since August 2020 and had a well-established team who had taken leadership of a number of procurements over the years.
- 4.2 In 2022/23, an audit recommendation from external auditors, Grant Thornton, outlined concerns over this Councils procurement processes at that time, and ability to evidence value for money. Officers considered the option of taking on a standalone procurement resource for TMBC. Initial contact was made with TWBC to ask if they would be willing to share the job description and person specification, as well as an idea of the cost, of a Procurement Officer. During these discussions, it became clear that TMBC would need procurement resource at a more senior level - owing to the nature and size of its contracts as well as the tasks which needed to be addressed (Procurement Strategy production being an initial example), and the proposal that TMBC join the existing Partnership was raised as a potential solution to this problem.
- 4.3 Following the development of a business case, and obtaining approvals from the relevant Local Authority partners, Cabinet approved that a formal agreement was put in place for TMBC to join the partnership for an initial period of 2 years – with the option of extending this further if all parties are happy to continue. TWBC take the role of lead authority, and are the employer of the procurement staff, with the cost of the Partnership split equally across the three partner authorities. This allows TMBC access to a team of 5 procurement professionals - providing greater resilience at a cost relatively similar to that of directly employing a single procurement professional. Historically there had not been a Senior Officer lead for procurement within TMBC. This has been addressed by the Director of Street Scene Leisure and Technical Services agreeing to include this responsibility as part of his role. Member responsibility is through the Cabinet Member of Finance Waste and Technical Services.

5 Partnership Performance

- 5.1 The Partnership has been very well received by officers at TMBC and has seen an upturn in high quality procurement and contracting activity. An internal officer group with representation from relevant services actively involved in procurement is being utilised to share and embed developing best practice and learning, and to help identify opportunities for further improvement. Feedback from these officers has been extremely positive and it is felt the use of the Partnership has been highly beneficial.
- 5.2 The Procurement team have successfully navigated all three of the partner authorities through the most significant change to public sector procurement in a generation, ensuring that we are compliant with all requirements of the

Procurement Act 2023 and delivering a programme of training to ensure that officers are well informed and understand the practical support that is available to them. Additional training has also been provided to officers on general procurement processes and requirements, and specific evaluator training is being delivered to those responsible for the evaluation of tender responses.

- 5.3 Since joining the partnership, the procurement team have been engaged in 35 projects – ranging from initial supplier engagement processes to the largest outsourced contract that the Council has – Waste and Street Cleansing. To assist officers in their understanding of roles and responsibilities in procurement projects, an operational flowchart has been produced. This clarifies who is responsible for tasks at each stage of the process and has been a valuable addition.
- 5.4 The immediate priority of having a Procurement Strategy in place for TMBC was addressed very quickly, and following Cabinet approval we have successfully put a strategy in place to cover us until 2026. . In addition, the procurement team have provided the Council with access to their library of more specialist practice documents as well as providing advice and guidance on potential approvals processes. One such process, the ‘Tender Report and Recommendation’, has already been implemented to ensure that there is sufficient oversight at the back end of procurement processes before any contract award is made.
- 5.5 One of the key recommendations from a recent internal audit was to implement a standard process for the request, review and decision on all waivers. A new template has been developed for this and is now in operation.

6 Audits

- 6.1 Grant Thornton has recently reviewed its previous audit recommendations relating to procurement and has confirmed that the appropriate action has been taken by the Council and this area should no longer be considered as a weakness. No further recommendations have been made for the forthcoming year. When setting out their key findings on the Council’s arrangements in respect to value for money, Grant Thornton stated that

“The Council has implemented strong arrangements for contract management and procurement which are considered sufficient to close the key recommendation raised in 2022/23. Improvements include the maintenance of a contract register, implementation of a best practice procurement strategy and the embedding of procurement related responsibilities in departmental processes.”

- 6.2 An internal audit has also been undertaken with the report delivering a rating of Substantial with prospects for improvement being very good.

- 6.3 The above clearly reflects a major change in opinion relating to the Council's approach to procurement and puts the Council in a good position to continue to build for the future.
- 6.4 The audit opinion of substantial defines that internal control, government and management of risk are sound overall.

7 Next Steps

- 7.1 The following are considered to be the key actions for the Partnership moving into the next 12-18 months:
- Further improve processes at the earlier stages in the procurement process when the overall direction of the procurement is first determined.
 - Complete the review of the constitutional Council/Committee Procedure Rules in order to ensure that they are fully aligned to the latest legislation, and to ensure consistency in approach across the partnership.
 - Provide training to Council Members on procurement
 - Explore how the Council can also strengthen its approach to on-going Contract Management alongside the improvements that have already been made to procurement.

8 Other Options

- 8.1 Having considered the review of performance and the next steps required, a number of options exist moving forward:
- 8.1.1 **Option 1:** Give notice to leave the Procurement Partnership and recruit a standalone resource for TMBC- this is not considered to be favourable for a number of reasons: The time and expense of recruitment, with no guarantee of finding a suitable candidate and the cost of a single officer at the required level is almost as much as the cost for remaining in the Partnership. There would also be a lack of resilience that would come from having a single officer in post as opposed to a team of 5 with the current Procurement Partnership (The resource would also potentially need to TUPE to a wider unitary procurement team if and when LGR takes effect). Further change management would be required as the Council would no longer have access to the procurement templates and processes and would need to create our own.
- 8.1.2 **Option 2:** Continue with the Procurement Partnership for a further 2 years, ensuring that budget is made available to do so, and then review our options. Continuing with the Partnership is the preferred option to maintain progress. This option, however, restricts this to only a temporary period

- 8.1.3 **Option 3:** Continue with the Procurement Partnership with a further review in 4 year's time, ensuring that budget is made available to do so. This is the preferred option providing both certainty and continuity for the future.

9 Financial and Value for Money Considerations

The 2026/27 revenue estimates include a provision of £95,150 for the cost of the Procurement Partnership. The Head of Finance has confirmed that ongoing provision has been made within the MTFS.

10 Risk Assessment

- 10.1 Membership of the Procurement Partnership has addressed previous concerns raised in both external and internal audits and has transformed this Council's approach to procurement. It is felt essential to both maintain and develop further improvements and other options would represent a significant risk to achieving this.

11 Legal Implications

- 11.1 Membership of the Procurement Partnership helps ensure full compliance with relevant legislation and the Partnership Manager works in liaison with Officers from the Council's legal services.

12 Consultation and Communications

- 12.1 Consultation has been undertaken with Officers using the services of the Procurement Partnership across the organisation.

13 Implementation

- 13.1 The preferred option can be implemented with immediate effect.

14 Cross Cutting Issues

- 14.1 Climate Change and Biodiversity

- 14.1.1 Limited or low impact on emissions and environment.

- 14.1.2 Climate change advice has been sought in the preparation of the options and the proposed way forward outlined in this report.

- 14.2 Other If Relevant

- Human Resources
- Procurement
- Business Continuity / Resilience

Background Papers	None
Annexes	None