

Procurement Strategy 2017-2020



CONTENTS

- 1 Foreword
- 2 About this strategy
- 3 Engagement with key stakeholders
- 4 What do we buy?
- 5 Where are we now?
 - Achievements so far
- 6 Where do we want to be?
 - National context and challenges
 - Key areas for development
- 7 How do we intend to get there?
 - Improvement Plan 2017-20

Annexe A – Social Value Priorities

1. Foreword

This Procurement Strategy sets the framework in which North Tyneside Council will work to ensure that procurement delivers value for money across all services, and directly contributes to the achievement of our priorities set out within the Our North Tyneside Plan.

We recognise that our substantial spend on the procurement of goods, works and services has a major impact on many aspects of life in North Tyneside. This includes the environment, social factors and local economic development. This can be particularly important to those local businesses and the voluntary and community sector which form part of our supply chain. Wherever it supports achieving the best value for money, we wish to encourage our local economy and work with our public, private and voluntary sector partners to deliver services across traditional boundaries.

This Strategy is supported by an improvement plan, which sets out a programme of further development linked to the Mayor and Cabinet's objectives and aimed at improving our commercial awareness and our overall procurement offer. Together, the Strategy and the improvement plan within it set high standards for all involved with procurement and contract management in North Tyneside Council.

The Authority's commissioning requirements – identifying need, then planning how we will meet that need, procuring and delivering services and ultimately evaluating performance – also underpin and are reflected in this Strategy. Our commissioning is based on the Authority's overall vision and policy context – the 'Our North Tyneside' Plan, and our assessment of need, reflected in the Joint Strategic Needs Assessment.

2. About this Strategy

This strategy sets out to define how the Authority's substantial spend with external suppliers of goods, works and services should be procured and managed effectively. The strategy aims to set out:

- Where we are now in strategic procurement terms
- Where we want to be
- How we intend to get there.

This Strategy is an important part of delivering the 'Our North Tyneside' Plan and the Authority's Creating a Brighter Future programme (described below). We recognise that what and how the Authority buys can have a major impact on North Tyneside and the people that we serve. We also know that procurement decisions are central to the way in which the Authority does business, and it is therefore critical that our procurement approach matches and supports the key objectives of the organisation.

In respect of the Our North Tyneside Plan, therefore:

- **Our People** – procurement will ensure that we get the maximum benefit from all Authority spend, and to help get the right outcomes for the people of North Tyneside;
- **Our Places** – our procurement approach will support businesses wanting to establish and remain within North Tyneside as a great place to work; we will promote sustainability and carbon reduction through our procurement approach; and we will seek to maximise the social value benefits available to our communities from our procurement activity;
- **Our Economy** – procurement activity will ensure that we secure the best possible value from all Authority spend, whilst supporting the local economy to grow by encouraging trade with local businesses wherever possible; and
- **Our Partners** – we will ensure that all of our partners, as well as those partners we procure services from, work with us to ensure that we achieve the best value for the Authority from all spend across the Borough.

North Tyneside Council has a reduced budget and greater demand on its services. In order to deliver on the commitments made, the Authority developed the 'Creating a Brighter Future' project to tackle these challenges by doing things differently and redesigning our services. The Creating a Brighter Future project is delivering its priorities against four key themes:

- **Ready for School** – The procurement team are developing a category management approach, discussed further in this Strategy, which will work closely with the project leads for this theme to ensure the project's successful delivery

- **Ready for Work and Life** – this stream is aimed at ensuring North Tyneside’s residents are employed and have the best start in order to gain employment, and is supported by the Authority’s Employment and Skills Strategy. The Procurement Strategy will help to ensure North Tyneside businesses have the opportunities and abilities to build better business and grow. A number of initiatives have already been introduced to help businesses bid for and win contracts with North Tyneside Council, including agreement of a Social Value policy by Cabinet in February 2016. This developed how our Authority would consider introducing social value criteria when evaluating bids, with the aim of optimising procurement outcomes and making it easier for smaller local businesses to bid and compete successfully. Our evaluation and refinement of this approach is described later in this document. As part of Cabinet’s agreement in October 2014 to a range of actions aimed at “Helping Business do Business with North Tyneside”, a programme of training sessions, one to one sessions and specific supplier engagement events have been delivered. As part of our Improvement Plan, which is included at the end of this Strategy, we propose that we put this into a formal programme and introduce measures to evaluate its effectiveness
- **Cared for, Safeguarded and Healthy** – the Authority has a number of projects in this area. The procurement team will work with service areas to ensure these projects are successful and delivering the right outcomes to meet need. This will include help with negotiating contracts and ensuring value for money
- **A Great Place to Live, Work and Visit** – projects in this area include helping businesses relocate into the borough and reducing our carbon footprint. The Procurement Strategy reflects the importance of social value in procurement exercises, which is discussed in more detail later in this paper.

This Procurement Strategy builds on work already undertaken by the Authority to date, including improvements to support local supply agreed by Cabinet, and measures taken to encourage prompt payment to our suppliers. The Strategy therefore further supports the aspirations set out in the ‘Our North Tyneside’ Plan with a programme of additional improvements over the next three years.

Through this new Strategy we expect to achieve:

- **Value for money** – through a fully implemented category management model of procurement, continuation of our shared approach to reducing costs or offsetting pressures with our suppliers through renegotiation of existing arrangements, and cashable savings through continued improvements in sourcing and market development. This will also reflect our culture of demand management, as set out in the Authority’s Target Operating Model
- **Local supply** - continued impetus in stimulating our local economy, building on the work already undertaken and Cabinet’s actions to help business do business with North Tyneside (discussed in more detail on page 10)
- **Training and commercial awareness** - recognition that our commissioners, procurers and contract managers are key to unlocking further efficiencies from our contracts and will be supported in this important aspect of their roles

- **Buying from ourselves** - a growth in the role of the Authority as a seller of services, where we have the skills to deliver these services, as well as our traditional purchasing role
- **A streamlined procurement process and better information** – clearer public facing information on our contracts, accompanied by better management information for our contract managers
- **eProcurement** - optimising the efficiencies that this can deliver throughout the procure to pay process.

Roles and responsibilities related to this Strategy

The Head of Commissioning and Investment and Cabinet Member for Finance and Resources are the sponsors of this document. The Head of Commissioning and Investment is responsible for maintaining, monitoring and developing this Strategy. Delivery will be the responsibility of all involved in the procurement of goods, works and services. Performance against the outcomes defined in the strategy will be measured via the Improvement Plan, included at the end of this document.

3. Engagement with Key Stakeholders

We have engaged with a number of key stakeholders about the Authority's procurement activity in preparation of this Strategy. All of the feedback received has been useful and has helped us shape the Strategy, and the accompanying Improvement Plan. We would like to thank all those who provided views and comments. Any further contributions at any stage in the life of this Strategy will be welcome – contact details are provided at the end of this document.

The following stakeholders kindly provided feedback on drafts of the Strategy, or component parts of it (e.g. our revised approach to Social Value, described later in the Strategy):

- North Tyneside Business Forum
- North East Chamber of Commerce
- The Voluntary and Community Sector
- The Authority's Procurement Service and wider procurement community (officers of the Authority involved in procurement, but who are not part of the Procurement Service)
- Trades Unions
- The Authority's Strategic Partners (Kier North Tyneside, Capita and Engie)
- Esh Group
- Home Group

The North Tyneside Business Forum and North East Chamber of Commerce kindly invited us to attend one of their respective meetings, with the main focus of discussion being public sector procurement and how the Authority trades with local suppliers. This was followed up with a further meeting with the Chair of the North Tyneside Business Forum and the Authority's Business and Enterprise Team, where we specifically discussed how we can provide further support to local suppliers to help win contracts with the Authority and its partners. We plan to build on this engagement by

more regular attendance at such established meetings, to discuss ongoing procurement matters.

We invited representatives of the Voluntary and Community Sector to meet with us to discuss our intentions for the new Procurement Strategy, and seek their views on how we procure. Again we intend to meet more regularly with this group as the Strategy progresses.

A specific focus of engagement with both the business community and the voluntary and community sector was to check whether our commercial and procurement principles continued to be current and useful. The feedback received was that they were, and this is discussed later in this paper.

We engaged with some stakeholders, such as Esh Group and Home Group, specifically for feedback on our revised approach to social value. In particular we asked for their opinions on our new social value priorities, and some suggested model answers which we had prepared, as they had participated in a procurement where social value had formed part of the evaluation criteria and were therefore well placed to give feedback on how the Authority had used social value. There are further details regarding the revised approach later in the Strategy.

We appreciate that the Strategy must not stand still and must flex to take into account changes in national or local market conditions, and we will continue to engage with key stakeholders throughout the life of the Strategy to ensure that it remains up to date.

4. What do we buy?

The Authority undertakes a wide variety of duties and delivers a vast range of services to the people of North Tyneside. In turn this means that the Authority's spend on goods and services is considerable.

During 2016/17, North Tyneside Council spent approximately £270m (comprised of general fund revenue, housing revenue and capital expenditure) through its 'Supplies and Services' and 'Third Party Payments' budgets. Approximately 80% of our spend is within the top six procurement categories of:

- Health and Social Care
- Construction and Highways
- Government and Public Bodies
- Business Process Outsourcing Services
- Property
- Environment

We are analysing the data available regarding our spend profile to better understand buying behaviour within the organisation. This forms part of a Spend Analysis which we have included as an action in the Improvement Plan on a rolling basis from 2017/18 onwards (see pages 23 -28).

This brings us to an important matter which has increased in focus throughout the life of the previous Procurement Strategy, 2013-17. The ability to accurately classify our procurement data, access this readily, and analyse and report on results by category is fundamental to achievement of every one of our procurement objectives. As a priority, we have identified improving our procurement data and analytical tools to evaluate this data as a key task in the Improvement Plan included at the end of this document.

The Authority's Procurement Service is delivered by our business partner Engie, working closely with budget holders who are the 'spend decision makers' within the Authority. The Procurement Service undertakes the majority of procurement contracting (for goods and services) on North Tyneside's behalf. Procurement and purchasing activity within the contracts established is largely devolved across the organisation with approximately 190 budget holders, 530 procurement requisitioners and 270 purchase card holders (137 actual cards and 133 virtual cards). The Authority has detailed Contract Standing Orders, and Financial Regulations, which govern how this spend is managed, including an established budget management framework.

The Authority does business with approximately 4,200 suppliers. However, a large proportion of spend (84.8%)¹ is with the top 150 suppliers. The Authority's Senior Leadership Team has continued to ensure that for each of these major supplier relationships, there is a nominated Head of Service to manage the relationship with that supplier.

There are a number of individual commissioning strategies in place across the organisation, together with dedicated commissioners. A continuing task for the organisation is to ensure that this community of commissioners, buyers and contract managers is equipped with the right skills for their role, and that the cost of doing business with our supply base is minimised through efficient processes. Again this forms a key action in the Improvement Plan included as part of this Strategy.

Procurement is a key part of the Authority's commissioning cycle. For us, commissioning is defined as the entire process of assessing the needs of people and communities, designing and securing services to meet need, and then monitoring and evaluating the impact this has made at a strategic, service and individual level. It is well known that over recent years there has been a substantial reduction in the funding available to local authorities, while at the same time demand for council services has been increasing. This has required us to think differently about how our services are delivered to effectively and efficiently meet needs. Commissioning is not just a technical process of analysis, procurement and review or one of managing providers or markets. Values and principles shape who gets what, how, when and where. There has increasingly been a shift in the focus of commissioning from service delivery to a greater emphasis on outcomes for end users. Public policy has made increasing reference to voice and choice for service users. Involving and empowering service users and the providers that work with them will lead to genuine service change and improvement.

¹ Source – Engie Procurement Team

Our commissioning intentions are driven by need and developed in the context of the Authority's overall vision and policy context. This includes the 'Our North Tyneside Plan' and our assessment of need reflected in the 'Joint Strategic Needs Assessment'. The challenges we face are significant and require creative thinking and innovative solutions. Strategic commissioning will allow us to develop new alliances with all of our partners, develop new service models and make the best use of our collective assets across the borough. Through our 'Creating a Brighter Future Programme' we are looking to fundamentally redefine our role, purpose and relationship with our customers, providers and partners. This means transforming our service offer so that it is flexible, dynamic, and able to meet current and future needs across all of our statutory obligations.

5. Where are we now? Achievements so far

Business Partnership and our Strategic Business Partner, Engie

The previous Procurement Strategy, 2013-17, was agreed in March 2013 shortly after the establishment of the Authority's Business Partnership in November 2012. The business partnership saw North Tyneside transfer a range of services, including procurement, to our strategic partner, Engie. Effective partnership working with Engie and all other delivery partners will continue to be essential to the achievement of our future procurement goals as set out in this Strategy. This Strategy has been prepared in conjunction with Engie, who will be integral to the delivery of the actions set out in the Improvement Plan.

Commercial and Procurement Principles

Following engagement with a wide range of stakeholders we have been working to four important commercial principles, namely:

- **Strong commissioning** – that we will know the needs we meet and will be able to articulate the outcomes we seek. This will reconcile to the data, customer feedback, and the policy context (both national and local).
- **Our commercial values** – reflect the wider values of the organisation but demonstrate the way we will do business.
- **Our commercial objectives** – reflect what we are seeking to achieve in our commercial activity.
- **Our commercial intelligence** – reflects what insight we need.

These commercial principles are supported by a set of procurement principles:

- **Fit with commissioning** – firstly, explaining how procurement fits with commissioning decisions (as the Authority's business relies on effective commissioning, and assessing the needs which we aim to meet); and
- **Engaging effectively** – secondly, identifying key audiences (our customers; our Elected Members; our businesses; our partners; and our officer team), together with the procurement values established as important for each audience.

The 'direction of travel' within local government as a sector, and our experiences within North Tyneside Council since adoption of the last Strategy, demonstrate that these principles remain sound. They will continue to act as the framework within which all commercial and procurement activity within North Tyneside Council will operate, as we move forward into the period covered by this Strategy. However we have recognised that it would be helpful to establish a better way to capture and assess our performance against the principles, so that we can see that these are evident within each procurement that takes place. We have therefore reflected enhanced monitoring and management of the commercial and procurement principles as an action in our 2017-20 Improvement Plan.

Supporting Local Procurement – Helping Business do Business with North Tyneside

Engagement with key stakeholders clearly shows that local procurement – supporting local businesses to identify procurement opportunities with the Authority, and bid for and win those contracts – is a critical issue. Cabinet has made a number of decisions aimed specifically at supporting our local businesses, including a programme of actions designed to 'Help Business do Business with North Tyneside' agreed by Cabinet in November 2014. This included the cascade of prompt payment initiatives through our supply chain, and measures to make it easier for smaller businesses to bid for work, described below. Our elected members are keen to understand whether the Authority is doing all it can to encourage and support local supply, where this offers best value for money for North Tyneside.

In the previous Strategy, we outlined a number of ways in which the Authority already sought to encourage local businesses to bid for contracts. These are discussed further below and include consideration of breaking down large contracts into smaller 'lots' (though this is not always possible, as discussed on page 15); publishing 'How to Do Business Guides' on the Authority's website; and using the electronic procurement 'portal' managed on behalf of North East local authorities by the North East Procurement Organisation (NEPO) more effectively. We have also facilitated supplier training events (aimed at small and medium enterprises and the voluntary and community sector). Eleven supplier training events were held in 2015/16 and six were held in 2016/17. We have continued and will continue to embed these actions throughout the life of this Strategy, but will also look to introduce more formal evaluation of the events and determine whether we can structure training and development aimed at local suppliers more effectively. This is set out in our Improvement Plan.

Cabinet has been clear that the Authority will support local business do business with North Tyneside. We have examined what additional action could practically be taken by the Authority, its strategic business partner, Engie, and our other partners to support local businesses and help them identify, bid for and win public sector contracts. Improvements which we have delivered or which are underway include:

(i) Prompt Payment – faster payment throughout the supply chain of the Authority and its strategic partners

As we know that cashflow can be a crucial issue for small and medium sized enterprises especially, prompt payment is particularly important to the continued viability of such businesses.

North Tyneside Council has a policy of paying its suppliers promptly. While the Authority's standard payment terms are that our suppliers will be paid within 30 days, for some years the Authority has endeavoured to pay its suppliers much more quickly. We therefore strive to pay our suppliers within 14 days, and routinely publish our data on how we are performing against this target. Data relating to 2015/16 and 2016/17 is summarised in the following table.

Financial Year	Total Invoices Paid	Invoices paid within 14 days	% Invoices paid within 14 days	Invoices paid within 30 days	% Invoices paid within 30 days
2015/16	102,661	98,704	96.15%	101,293	98.70%
2016/17	101,887	99,043	97.20%	100,823	98.96%

Source: Engie Financial Services

As the Authority now delivers many of its services in partnership with our major strategic partners – including Capita, Engie, and Kier North Tyneside – we also recognised that there may be scope to work with these partners to widen our 'prompt payment' initiative. In general, the private sector's standard payment terms tend to be longer than those of the public sector, and 45 or even 90 days can be common. The effect of this can be that suppliers previously engaged by the local authority, and then subsequently engaged by a partner, may have found that they were paid more slowly than when engaged by the local authority directly (even though, in effect, it is the same supply). Not only would payment to primary contractors be enhanced by our strategic partners paying such contractors promptly, but there was also the potential to cascade this benefit to sub-contractors of both the Authority's and our strategic partners' supply chain. This approach has subsequently been enshrined in the UK Public Contract Regulations 2015 but the Authority's initiative on this matter – seeking our strategic partners to pay suppliers within 30 days, and in turn main contractors to pay their sub-contractors within the same time period – was already underway at the time that this became law.

As reported to Cabinet in November 2014, the standard payment terms for the Authority's strategic partners ranged from 30 days to 60 days, with average payment times varying from 14 to 43 days. Working with these strategic partners, we therefore explored what could be done collectively across the Authority and our strategic partners to shorten payment terms. Our aim was

that any supplier or sub-contractor of a supplier delivering on behalf of North Tyneside should be able to benefit from the same prompt payment arrangements which the Authority itself applies.

We are pleased to confirm that we have achieved this aim. In November 2014, as part of a wider raft of measures aimed at helping businesses do business with North Tyneside, Cabinet agreed that the Authority's contract provisions would be amended. This ensured that for all new contracts, it would be usual for the Authority's main contractors to pay undisputed invoices from their suppliers within a standard 30 day period, and that only by exception (agreed by the Authority) will payment terms for sub-contractors exceed 30 days. Subsequent to this, our major strategic partners of Kier North Tyneside and Capita have also reported a change in their contract terms, and those of their supply chain, to mandate that all suppliers delivering on behalf of North Tyneside will be paid within 30 days.

(ii) Increasing Local Supply within the 'Travel to Work Area'

The 'Our North Tyneside' Plan is clear that the Council will seek to grow our economy by building on our strengths including our existing world class companies and small and growing businesses. We have been clear that the numbers of local suppliers (both business, and the voluntary and community sector) should be encouraged to increase for the benefit of the local economy, where it delivers value for money and can be accommodated legally. As many of these local suppliers are small and medium sized enterprises (SMEs), in turn an increase in local supply would also be likely to increase the number of SMEs in the Authority's supply chain.

We already gathered and analysed data on those suppliers with an address within the boundaries of North Tyneside. Recognising the importance of the wider regional supply market, the opportunity was taken to define a local supplier in a more meaningful way. A local supplier was defined in the Procurement Strategy as one within the "travel to work area" (TTWA²) of North Tyneside.

The proportion of supply from local businesses – both in terms of the value of spend, and the number of suppliers – has increased steadily. In 2011/12, North Tyneside businesses constituted 12% of the Authority's supplier base, but received around 31% of the Authority's spend. By 2016/17, this number had increased to North Tyneside businesses accounting for 23% of the Authority's supplier base, and receiving around 44% of the Authority's spend.

The proportion of suppliers within the TTWA has also increased – with around 43% of suppliers within the TTWA in 2016/17 (an increase from 24% in 2011/12), receiving around 54% of the Authority's spend (an increase from 34% in 2011/12).

² Travel to Work Areas (TTWAs) have been developed by the Office of National Statistics as approximations to self-contained labour markets, i.e. the areas where most people both live and work. As such they are based on a government statistical analysis of census data, rather than administrative boundaries.

(iii) Category management

As part of a commitment from our business partner, Engie, the introduction of a category management model of procurement is underway. Although this is primarily to achieve greater cost efficiency, a key aspect of this procurement model is early supplier engagement and supply chain development. Moving ahead, Engie will increase capacity to work alongside local business groups and suppliers to identify future tendering activity and provide real opportunities to these groups to develop their own business strategies to match those of the Authority's forward buying plans. Again development of a more sophisticated category management model is a fundamental strand of our Improvement Plan, included at the end of this document.

(iv) Supplier Training

Perhaps one of the biggest practical changes introduced as part of delivering Cabinet's commitment to 'help business do business with North Tyneside' has been our continued focus on supplier events. These are tailored to helping small and local suppliers understand our business and giving clear, helpful advice and information on a variety of procurement topics. Events which we have hosted have included:

- **'Know Our Business'** – provided to 80 local suppliers who provided a high satisfaction rating on the value and usefulness of the sessions offered (87% rated this as 'good' or 'excellent'). During the event, a range of workshops were provided, advising on topics such as completion of health and safety elements in tenders, the hallmarks of successful bids, and working together to win business. Officers from services throughout the Authority were in attendance throughout the event, including Adult Social Care, Catering, Public Health, Environment and Leisure, in addition to schools and representatives of some of the Authority's major partnerships (including Capita, Engie and Kier North Tyneside). Delegates from Crown Commercial Services (formerly the Office of Government Commerce) also attended and participated in the event
- **Using the NEPO Portal** – as a member of NEPO, a range of NEPO facilities are used which are intended to help suppliers identify and submit bids for business with North Tyneside. The portal is the key online tool for suppliers to access these opportunities and we will evaluate its accessibility and user friendliness in the coming year in response to feedback which businesses have provided to us. We have hosted specific events, presented by the Authority and NEPO, at which suppliers were able to book an hourly slot for help and advice on using the portal. Again, we received positive feedback from those businesses which participated
- **Supplier Workshop on 'Writing Winning Tenders'** – in conjunction with NEPO, we have hosted a workshop aimed at helping local suppliers write winning tenders. Over 40 local suppliers attended this event

- **Local Supplier ‘Winning Business’ events** - these events hosted a number of sessions for local suppliers, in which a NEPO consultant offered advice and guidance on tendering and winning business with local authorities
- **Regular Business and Enterprise Events** – have taken place throughout the year, including ‘business safaris’ to local suppliers, supply chain events, and local business networking sessions hosted by the Authority’s Business and Enterprise team.

(v) What else have we done to help local and small / medium businesses ‘Supply North Tyneside’?

We have made a number of practical changes aimed at simplifying our procurement process, and making contracting opportunities easier to access by suppliers and specifically smaller and local suppliers. These include:

- **Eased administrative requirements** in a number of key areas (including pre-qualification questionnaires, or PQQs). This has included, for example, a commitment only to use a PQQ on procurement exercises involving a contract value above £100k, saving time and effort on contracts which smaller businesses may be interested in bidding for
- **Reviewed financial thresholds** at the time of every tender – to make sure that these are appropriate to the size of the contract, again so that smaller businesses are not precluded by thresholds which are unaffordable
- **Reviewed insurance levels** and reduced the minimum insurance levels where possible, again to reduce the financial burden on small and medium suppliers whilst ensuring adequate control and maintaining appropriate safeguards for the Authority. We are also now able to review and adjust insurance levels on individual contracts, depending on risk
- **Developed local supplier training initiatives**, both those delivered directly through our business partner Engie, and jointly with the North East Procurement Organisation (NEPO). We use the NEPO portal’s online secure site to advertise our contract opportunities and receive submitted bids; as this is also used by all other North East authorities, this promotes a standardised and familiar approach for suppliers in our region
- **Refreshed our internet offer**, specifically our pages relating to procurement, to facilitate easy access to contracting information and link our pages to NEPO
- **Used social media more effectively**, for example exploring the advertisement of our contract opportunities on networking sites such as ‘Twitter’.

(vi) Which initiatives have been less successful in supporting local business?

We have also reflected on other steps which have been introduced following the last Procurement Strategy which appear to have been less successful in encouraging procurement with small and local businesses. These are set out below.

- **Quick Quotes**

The Authority introduced a 'Quick Quotes' system, which is offered by NEPO and automatically invites quotations for smaller value work to at least two local suppliers, in addition to any other suppliers that may exist in the wider marketplace. However, feedback from local businesses and from officers evaluating responses is that Quick Quotes is not operating as successfully as we had hoped. We need to perform more analysis to understand this, which is included in our Improvement Plan later in this document.

It may be that Quick Quotes does not always have a supply chain able to support the goods and services being procured (in other words, suppliers capable of undertaking the work or supplying the goods are not always registered on Quick Quotes). However we have also had feedback that some local businesses are receiving Quick Quotes notifications which they do not feel are relevant or appropriate to their business or the type of supply in which they are engaged. Quick Quotes has therefore been used in only a small number of cases, and we propose to review the operation of Quick Quotes in 2017/18 to determine whether we can make this tool more successful.

- **Breaking down Contracts**

Similarly although consideration has been given to breaking down contracts into smaller separate 'lots', to make procurements more accessible to smaller businesses, in a number of cases it has offered better value for money to the Authority to consolidate contracts. This demonstrates the tension that can exist between smaller lots and gaining optimum value for money.

It should also be noted that there are developments in the European and national procurement arena, aimed at supporting public procurement for SMEs generally, which may lessen the opportunity for local supply. For example, in response to a report from Lord Young (governmental adviser on small business and enterprise) on 'Growing Your Business' in 2013, the Public Contracts Regulations 2015 now mandate that all contract opportunities above £25k must be advertised on a national 'Contracts Finder' site. This will widen the visibility of potential contracting opportunities, but may mean many more submissions from suppliers (including SMEs) outside of the local area. However, this would also allow greater visibility of national contract opportunities for our local suppliers.

Social Value

Public Services (Social Value) Act 2012

The Public Services (Social Value) Act 2012 had only recently become law at the time that the last Procurement Strategy was agreed (coming into force on 31 January 2013). Although the main requirement of the Act – that there was a duty on local authorities to consider the social value of a procurement, prior to the procurement process being undertaken – how this would be applied in practice, and be used to deliver optimum results, was not fully known at the time. However, we recognised that

Social Value represented a real opportunity to work with local businesses and organisations to help them bid successfully for North Tyneside Council work.

Where a procurement for services and frameworks covered by the Act was undertaken, the legislation requires the Authority to consider:

- How the service being procured might improve the economic, social and environmental wellbeing of the Authority's area
- How, in conducting the procurement process, the Authority might act with a view to securing that improvement (within the law)
- Whether the Authority needs to undertake any consultation in relation to these points.

Social Value Policy, February 2016

The Authority considered how best we could turn the potential offered by the Act into a practical approach. We realised that we needed to develop a method that would help suppliers to bid for and win contract opportunities, while at the same time allowing tangible benefits and added value for the community, as envisaged by the legislation.

A Social Value Policy was therefore prepared and agreed by Cabinet in February 2016. The Policy set out ten 'social value priorities', against which social value responses from tenderers would be assessed. The policy required that social value would be considered for inclusion in all appropriate procurements, and would account for between 10% and 20% of the evaluation criteria.

Evaluation of our Social Value Approach, and Proposed Changes

Once sufficient time had elapsed to allow some procurements with a 'social value' element to take place, we sought to evaluate how the Social Value policy was operating in practice and whether this was being successful to deliver intended outcomes for our communities, and supporting local businesses in achieving work with the Authority. We wanted to know:

- (a) Whether our social value policy was making a difference
- (b) Whether it was clear and understandable to the firms who wished to do business with us.

From the Summer of 2016, we reviewed how Social Value was operating in practice.

Our review gathered data from all procurements undertaken by NTC where social value had formed part of the evaluation, since agreement of the Policy, and reviewed and analysed the results. We found that:

- The quality of our Social Value criteria used across these procurements was variable. In turn, the way in which we asked bidders to define social value was inconsistent (and vague) between procurements – this did not help / guide the bidders to produce a 'good' social value submission

- The Social Value criteria seemed to have had limited impact on the procurement decision
- Regarding measuring the outcomes and outputs from the Social Value criteria once the service is live, there was not always a consistent approach.

Following the review we have updated our approach to social value to address the findings and seek to maximise social value outcomes from our procurement activity. The changes made to our approach so far include:

- **Revised Social Value Priorities** - the number of priorities have been reduced and linked to 'Our North Tyneside' plan and the four themes in the Authority's Creating a Brighter Future programme to demonstrate how they support corporate priorities. The revised priorities are attached at **Annexe A**. This will hopefully make the priorities easier to understand and apply
- **Enhanced Guidance** – to help bidders understand what we are trying to achieve from social value and assist them to provide a meaningful submission, we have strengthened and clarified the wording on suggested ways that social value can be measured and provided examples of how those measures may look in real terms
- **Social Value Model Answer Template** – a social value model answer template has also been introduced to help bidders provide responses in a consistent format. The aim being to improve the quality of responses by demonstrating to bidders what is expected, and also ensure consistent measurement in procurement decisions.

There is still further work to be completed to ensure that our revised approach will help deliver social value outcomes, and specific targets for this work have been set within the Improvement Plan that supports this Strategy. This work is already underway and includes:

- **Testing of our Revised Social Value Priorities and Approach** – we have established model answers based upon our revised priorities and approach, and have requested feedback from the business community and voluntary and community sector. The feedback will be used to refine our approach where appropriate
- **Support for Local Supply Chain** – in addition to enhanced guidance for suppliers, we undertake to provide maximum support to local suppliers to help them understand what is meant by social value. Our aim here is to make it easier for smaller and local businesses to understand how the Authority will measure social value, and in turn make it easier for such businesses to prepare bids which will reflect how they will support the Authority's social value priorities and which are then likely then to score well in the evaluation process.
- **Increased Focus on Outcomes** – the effectiveness of our social value methodology will be assessed upon outcomes delivered, and an approach to measure and track delivery will be developed. The results of the evaluation will be reported periodically and include an assessment of the ongoing cumulative impact of social value. We will also use the results as part of an on-going review process to ensure our approach to social value remains fresh, delivers tangible outcomes and continues to support local suppliers and the local economy.

6. Where do we want to be?

National Context and Challenges

National Procurement Strategy for Local Government in England, 2014

In 2014, the Local Government Association (LGA) published a revised National Procurement Strategy for Local Government. This sets out a vision for local government procurement and encourages all local authorities to deliver outcomes in four key areas:

- (a) Making Savings
- (b) Supporting Local Economies
- (c) Leadership
- (d) Modernising Procurement

These key areas reflect the improvements and development we have identified as required during the life of our current Procurement Strategy, which support the 'Our North Tyneside' Plan and Creating a Brighter Future programme, and also the aspirations which we codified in our commercial and procurement principles. Specific actions are set out in the Improvement Plan included at the end of the document and the outcomes are described in more detail below.

(a) Making Savings

The national Strategy recognises that councils are dealing with significant financial pressures, resulting from a reduction in funding and rising levels of demand. As a result local authorities need to use their spending power wisely and strategically, and set targets for procurement and contract management by the effective use of:

- Category management – to make savings by maximising the value of spend
- Partnering and collaboration – aggregating spend by effective collaboration, without compromising the need for social value.
- A corporate approach to contract management – councils should demonstrate their effectiveness in gaining most value from contracts. They should obtain best value from supply chains through proper relationship management
- Performance monitoring and transparency – sharing commercial and performance data on common goods and services, to help open up new markets for local business, the voluntary and community sectors, and social enterprises
- Risk management – including the risk of fraud in procurement
- Demand management – finding alternative ways to meet user need. This can help to reduce costs and oversupply within the procurement and commissioning cycle.

(b) Supporting Local Economies

Councils need to maximise the economic, social and environmental benefits to communities from every pound that is spent. The LGA is clear that it believes that spend with small and medium enterprises (SMEs) and the voluntary and community sector can make a significant contribution to local and economic growth (as we have also recognised in our previous Strategy). This includes Social Value. The LGA therefore recommends:

- Economic, environmental and social value criteria - in all appropriate contracts
- Improving access for SMEs and Voluntary Community and Social Enterprises (VCSEs) – Councils should ensure that a wide range of suppliers are encouraged to do business with them. Electronic portals should be used to advertise tenders widely, and barriers to doing business should be removed without compromising due process. Councils should identify forward spend wherever possible and use this data to inform pre-market engagement and supplier planning.

(c) Leadership

To be able to deliver, local government procurement needs to demonstrate leadership to increase its impact. The LGA recommends that:

- Local government needs to speak with ‘a single cohesive voice’ on procurement matters, particularly when interacting with central government and making government aware of the challenges facing us as a sector
- Commitment from the top – recognising the strategic importance of procurement, with procurement as a driver to implement council policy
- Seeing procurement as part of a strategic commissioning cycle
- Developing a more commercially focused procurement culture – councils should build better procurement competencies by ensuring that staff are equipped with the knowledge, training and practical skills needed to derive maximum benefit from procurement, and taking a more commercial approach to procurement.

(d) Modernising Procurement

Modernising in terms of scope, use of technology and practices / procedures:

- Commercialisation and income generation
- Encouraging supplier innovation – through outcome specifications and encouraging suppliers to demonstrate innovation through all stages of the procurement cycle
- E-procurement – to increase efficiency and productivity. The LGA draws specific attention to e-invoicing, to help both councils and suppliers streamline administrative processes and improve supplier liquidity.

EU Procurement Directive, and the implications of the vote to leave the European Union

A newly revised EU Procurement Directive was issued in 2014 and introduced a several changes to modernise and streamline public procurement. A number of the changes were aimed at reducing 'red tape' constraints of the previous rules, and therefore enabling procurements to run faster, be more flexible and with greater emphasis on getting the right supplier and best tender. There was also an increased focus on helping SMEs win public sector work with the abolition of PQQs for contracts below certain thresholds, changes made to supplier turnover requirements and authorities encouraged to break larger contracts into smaller lots where possible.

The legislative framework within which we procure is significant and complicated. The Public Contract Regulations 2015 enact the 2014 EU Directive into UK law and lay out in detail how public procurement must be undertaken across all member states within the European Union.

In summary, the Public Contract Regulations were broadly in line with our own procurement aims to support the Our North Tyneside Plan – for example, there is an emphasis on support to SMEs, and driving down the length of payment terms (both of which are consistent with actions already taken by Cabinet described on page 10).

At present the full and longer term implications of the decision to leave the EU on public sector procurement are unknown. It is planned, through the Great Repeal Bill, to convert EU law as it stands at the point of exit into UK law. This will enable continuity of business post exit as organisations will know that the rules have not changed overnight. The Great Repeal Bill will also make provision to enable parts of those laws that cannot function outside of the EU to be corrected. We will continue to monitor the position and evaluate any changes as they are proposed and made.

Key areas for development

Using our experiences and learning points from delivering the existing Procurement Strategy, the prevailing national guidance and trends described above, and the feedback we have received from a range of stakeholders, we have identified a number of key areas for development in our Procurement approach over the life of this new Strategy. These are discussed below.

(a) Optimising value for money

Working with our partners, we need to ensure that every procurement pound supports the Authority's strategic objectives and that this offers optimum value for money.

- Through a category management approach, our procurement team will evaluate procurement data and provide information and advice to contract managers on areas which may be targeted to further optimise value for money
- We will continue to engage with our suppliers to identify and shape markets and to seek a collaborative approach to the reduction of procurement costs

- Where it is appropriate, we will adopt a shared approach to reducing costs or offsetting pressures with our suppliers through renegotiation of existing arrangements.

(b) Supporting the local economy

We will continue to support local businesses and Small to Medium Enterprises (SMEs) and use our procurement activity to foster local enterprise and promote local prosperity.

- We will continue the actions already implemented to ‘help business do business with North Tyneside’
- We will develop a further programme of targeted training for suppliers
- We will capture and evaluate feedback from these training events, to inform future development
- We will work with the Authority’s Business and Enterprise team to develop and enhance engagement with the local business community regarding procurement.

(c) Streamlining and modernising our procurement and procure to pay processes

The legal requirements surrounding public sector procurement are such that it can be complex, expensive and time consuming for potential suppliers to bid for contract opportunities. By necessity there must be a formal tendering process that is not only open and fair, but is robust enough to successfully defend any legal challenge. There is a continued drive to simplify procurement processes and make procurement decisions more transparent. However we can do more to make sure that it is easier for suppliers and our staff to find and access the relevant procurement information, make sure that this is written in plain English and that the rationale for each aspect of the process is clear. In addition, we can explore available technology to simplify the procurement process and to reduce bureaucracy (and cost) in the process.

- We will review the ‘procurement lifecycle’ and see where we can streamline this
- We will review our procurement documentation (both internally and that which is published externally) and ensure this is clear and easy to follow
- We will use technology to drive down process costs, enhancing what we have and utilising all opportunities to reduce the bureaucracy and resource costs
- We will review the accessibility and relevance of procurement tools offered by NEPO, to ensure that these are helpful to our suppliers.

(d) Increased commercial awareness and core procurement competencies

We recognise that staff working within the Authority and our partners may require different levels of procurement expertise, depending on job role. However those employed directly within the procurement function, and staff involved in ‘buying’ throughout the Authority, would benefit from training to

develop their existing commercial awareness. Enhanced commercial skills will strengthen the Authority's capability to understand where procurement efficiencies might exist, and where action to gain better value for money might be targeted. For our procurement team, this includes developing and implementing specific category management outcomes for the Authority.

We will further develop our staff to ensure:

- That procurement awareness is reflected in the Authority's core competencies, and that all staff have awareness of the Authority's procurement requirements
- That all of those who work with our suppliers are supported to understand the markets they operate in and their drivers and are equipped with the skills to negotiate effectively
- That working with our partner, Engie, true category management is implemented within North Tyneside and that we have category specialists available to support all major areas of spend.

(e) Management and monitoring of our contracts

Effective contract management continues to be a critical skill if the authority is to drive down the cost of services, increase the quality and delivery of services, encourage innovation and promote demand management, and continually improve value for money for the taxpayer.

- We will lead our contract managers in developing excellent skills in contract management, ensuring that they are armed with all the information they need to effectively manage contracts and achieve consistent value for money throughout the contract life
- We will ensure high quality commercial negotiation skills are available when needed.

(f) Using data effectively, and understanding our business

The power of data is becoming increasingly evident in procurement. We need to organise and use it as a key enabler to transformation. We will use the data available to us to equip contract managers with the market analysis they need to engage in informed debate and negotiations with their suppliers. This means that our data has to be accurate, timely and reliable; we need to be able to interrogate and analyse data in real time.

- We will develop procurement 'dashboards' for Heads of Service and senior managers, highlighting procurement trends
- Through our category management and contract management, we will further develop our understanding of our suppliers, what motivates them, what drives their costs and what will enable them to deliver a lower cost but consistently good service or product to us
- We will ensure that there is complete visibility of spend, regardless of value, through our category management approach
- We will encourage a culture of specifying "outcomes" where appropriate in order to leverage innovation from the market.

7. How do we intend to get there?

Improvement Plan 2017-20

(a) Making Savings, and Value for Money
Action
Implement Full Category Management Work with our business partner, Engie, to ensure that full category management is established and properly resourced within the Authority. Assess how spend <£10k (not currently included in procurements led by our strategic partner, Engie) can be included within category management and be subject to improved visibility in reporting (see also 'Procurement Dashboards' below).
Maximise Procurement Support for the Commissioning Process Review the relationship and processes between the procurement and commissioning activities to ensure that there is maximum support for the commissioning process, and the Authority is obtaining the best outcomes.
Review the Current Organisational Structure of Procurement Review the current procurement activity throughout the Authority (both where this is centralised and devolved) to identify whether there is a more coordinated, effective and efficient model.
Introduce Price Benchmarking Develop a methodology to assess the value for money gained from prices achieved on our procurements. We have identified a requirement for quality activity and cost data to allow a value for money challenge to be made; see "Procurement Data and Ongoing Spend Analysis" below. Monitor pricing according to the methodology, and feed back results to Head of Commissioning and Investment for evaluation and further action.
Establish a Procurement Savings Delivery Programme and Savings Capture Process Develop a programme to identify savings opportunities from our procurement activity. Assess how 'procurement savings' are currently calculated, recorded and reported. Is the 'saving' calculated realistically, and reported to the spend decision maker, lead Head of Service, and Senior Leadership Team, in order that there can be appropriate choice on how the saving is treated? Introduce a formalised process with appropriate governance arrangements to ensure that savings identification and capture is effective.
Develop Procurement 'Tail Spend' Management Procedures Introduce tail spend management procedures to consolidate our low value supply base spend into corporate contracts to help deliver savings, whilst ensuring that buying behaviours and transactional volumes are reported and managed to improve compliance.

Review and Strengthen our Procure to Pay Compliance Procedures

Create a 'No Purchase Order No Pay' culture within the Authority to support consolidation of our supplier base and reduce off-contract spend.
Review current procure to pay compliance procedures and strengthen where necessary.
Develop approach to monitor contract compliance and contract 'creep'.

Can we do it for Ourselves?

Conduct an 'in-house sourcing analysis' – does the Authority possess the required skills and competencies to undertake work 'in-house', which may currently be being procured externally? If so, what is the value of this supply?
How can we ensure that we determine whether "we can do it for ourselves" before procuring externally?

Review our approach to Contract Management, and Identify the Potential for Contract Renegotiation

Assess the effectiveness of contract management arrangements within the Authority. Establish a working group within the 'procurement community' to define an approach to reviewing contract management.
Undertake a contract collation exercise and introduce a corporate repository for all contracts.
Is there potential to renegotiate existing contracts to lever out value for money – conduct an up to date review of top 150 suppliers.
Develop and publish a comprehensive contract management toolkit.

Monitor relationships with our Top 150 Suppliers

Maintain ongoing work to ensure there is an agreed Senior Leadership Team lead for each of our top 150 suppliers, responsible for strategic management and testing of value for money in that relationship.

(b) Supporting the Local Economy

Action

Implement and further evaluate our new approach to Social Value

Finalise testing our newly developed Social Value principles, and our Social Value answer template, with a wider sample of suppliers.
Implement the revised Social Value priorities included as **Annexe A** to this Strategy.
Develop a procedure to ensure that the local supply chain understands our social value priorities, including providing quality model answers and offering support to the supply chain where requested.
Develop an approach to test the effectiveness of the revised priorities, and implement that approach in-year. This approach will assess whether our social value priorities are delivering on the outcomes expected.
Report results of the evaluation on a quarterly basis to the Head of Commissioning and Investment.
Assess whether any further changes to the Social Value priorities are required.

Implement a Development Programme for Suppliers (SMEs and VCS)

Review and evaluate what is currently available via the Authority and NEPO. How is this training perceived by local businesses? Is it meeting their needs? What more or differently could be done?

Develop a structured programme of training, based on feedback received directly by Procurement team, and from the wider Procurement Community, and via Trade and VCS groups:

- implement targeted workshops based on category groups of suppliers.
- determine invitations by our ongoing spend analysis of the Authority's categories of spend, and suppliers in each category, with a local emphasis.
- host an 'Understand our Business' event every six months, given the positive feedback on our recent similar event. This will help to ensure that timely commercial information on what the Authority will need to buy is available to the market (particularly local and SMEs) along with advice and support on how to compete effectively.
- Request the Business and Enterprise team promote the development programme through their engagement activity.

Increase Procurement Engagement with Business Forums

Propose a regular 'procurement' update to appropriate meetings between the Business and Enterprise team and the North Tyneside Business forum. Using the expertise of the Business and Enterprise team utilise the meetings with North Tyneside Business forum as a conduit to reach the other trade bodies, such as Chamber of Trade groups; North East Chamber of Commerce and the Federation of Small Businesses.

Evaluate how we engage and obtain feedback with suppliers and trade organisations – would establishment of market workshops help suppliers to understand our business and shape the market according to need?

Review of 'Quick Quotes'

Gather data on how NEPO's Quick Quotes is operating in practice within North Tyneside, and evaluate how successful this initiative has been in encouraging local supply.

Assess what else, if anything, could be done to improve the effectiveness of Quick Quotes within North Tyneside. What is the experience of other local authorities who are using this initiative? Is there anything we can learn and apply within North Tyneside?

Review Local Supply – Travel to Work Area and SMEs

Continue to gather data on the volume and value of contracts won by suppliers in the 'Travel to Work Area'.

Analyse and evaluate results – what is this telling us? Feed into support initiatives outlined above.

We will need to develop and refine our data on SMEs within our supply chain. "SME" is defined in European law, the main factors determining classification as an SME being number of employees and turnover.

It would help us to further understand our supply chain, including our local supply chain, by developing our knowledge base on SME suppliers. Again, in future,

changes in European and national procurement law are also likely to require this data to be gathered on a consistent basis between local authorities and published in one place.

Develop a ‘one-stop’ document – supply opportunities with the Authority, and with our partners

Develop a ‘one stop’ document to hold, in a single place, all the necessary detail and documentation that any supplier might need if they wanted to do business with the Authority. This will also include details of how to do business with other major partners, such as Kier North Tyneside and Capita, whose suppliers are in turn part of the extended supply chain of North Tyneside Council.

(c) Leadership

Action

Monitoring Implementation of our Commercial and Procurement Principles

Develop a simple monitoring system to assess whether the principles are in evidence within each procurement.
If the principles are not being explicitly demonstrated, what can we do to address this?

Develop our Procurement Competencies

Ensure that procurement is recognised as a key competency within North Tyneside’s Competency Framework.

Develop and Implement a Procurement Training Programme

Develop a procurement training programme, tailored according to roles and responsibilities within the Authority:

- A foundation training programme, aimed at all staff within the Authority, covering the Authority’s procurement rules and expectations
- A specialist in-depth training programme, aimed at officers who have a more senior role in major procurements. This training programme will cover a range of specialist competencies (such as intensive negotiation and contract renegotiation; consolidation of understanding of changes introduced by the EU Procurement Directives; effectively specifying requirements in tenders and evaluation process to get what we need in new contracts).

Begin implementation of the training programme

Leaving the European Union – Monitor and Evaluate any impact on Procurement

Maintain awareness of any emerging changes to the procurement environment, as a result of the vote for the United Kingdom to leave the European Union.
Prepare a report on proposed changes for the Senior Leadership Team; contribute to any national or consultation initiated on proposed changes.

(d) Modernising Procurement

Action

Improve our Procurement Data and Ongoing Spend Analysis

Evaluate the current methods by which we are able to extract and analyse spend data – are we readily able to access information which is SMART? (Specific, Measurable, Achievable, Relevant and Timely)

What other data analysis tools are available? Which criteria would we need any system to fulfil?

How can we work alongside our strategic partner to ensure we have a spend analysis tool which allows accurate and timely review of spend information, which highlights trends and which allows our procurement decisions to be soundly based?

Authority-wide spend analysis on at least an annual basis.

Establish Procurement Data ‘dashboards’ and closer reporting of Finance and Procurement Data

Develop procurement ‘dashboards’ of spend information, tailored to Heads of Service and SLT.

Trial these dashboards with SLT – will the information provided help increase awareness and control of spend within each service?

Refine trial format and implement the dashboard reporting on a monthly basis.

Assess whether ‘real time’ procurement dashboards / performance reporting can be implemented.

Streamlining Procurement Processes

Review the Authority’s Contract Standing Orders, and in-house procurement procedures:

- Are these clear and easy to follow?
- Are the procedures fit for purpose? Are the controls proportionate to the risks?
- Are the documents written in plain English and are they accessible and understandable to the intended audience?

Propose changes as required, for approval by the Head of Commissioning and Investment, Head of Finance or Senior Leadership Team as appropriate, and for onward recommendation to the Constitution Task Group / full Council in the case of Contract Standing Orders.

Develop our Forward Buying Plans and Pipeline of Contract Renewals

Work with the supply chain to discuss requirements and provide further supplier training to help the local supply base prepare for forthcoming opportunities.

Ensure that our Forward Buying Plans are robust, comprehensive and that these are shared with the lead Head of Service on a continuous basis.

Publish our forward plan of contract renewals on the Authority’s website.

Develop a monitoring and evaluation mechanism to ensure that the commercial opportunities for income generation through renegotiation are assessed in respect of each contract.

Evaluate our use of E-Procurement

To assess how e-procurement tools which are currently in existence are operating in practice; are these fit for purpose? If not, why? What changes can we make?

Review our use of NEPO

Review our use of NEPO contracts. Where are we using NEPO and where are we not? Are there clear and defensible reasons why (in both cases)?

Benchmarking – is our use of NEPO reflecting good value for money in the prices obtained?

Is the NEPO portal accessible and easy to navigate from the perspective of suppliers? Is it helpful and clear to the suppliers who are using it? (see e-procurement above)

Are NEPO notifications to our registered suppliers relevant and helpful?

Procure to Pay – Review our use of Purchase Cards

Review the use of purchase cards within North Tyneside – how many cards are in existence? Who is using these and for which categories of supply?

How does NTC's use of purchase cards compare with other local authorities?

What alternatives might be considered?

Is governance over purchase card approval and spend limits fit for purpose?

Glossary

Name / Abbreviation	Explanation
NEPO	North East Procurement Organisation – a collaborative procurement organisation representing a number of local authorities in the North East.
TTWA	Travel to Work Area - have been developed by the Office of National Statistics as approximations to self-contained labour markets, i.e. the areas where most people both live and work. As such they are based on a government statistical analysis of census data, rather than administrative boundaries.
SME	Small and medium sized enterprises.
Influencible Spend	Expenditure with third parties which should be subject to competition and can be influenced through competitive procurement process or effective contract management.
Tail Spend	Tail spend is defined as low value spend with a large number of suppliers at the 'tail end' of the Authority's supply chain. The tail spend concept is based around the Pareto principle – 20% of expenditure will be with 80% suppliers.

Social Value Priorities

Social Value Priority – Ready for School “By the time children enter their first class in school, they must be ready to learn and the majority will have skills that are typical for their age.”	
Suggested activities and ways of measuring social value	Examples of measure
<ul style="list-style-type: none"> • Ensuring usage of community facilities e.g. baby clinics, playgroups, children’s centres, leisure centres. • Family friendly policies that support parents/carers to ensure their children are school ready. • Sponsoring/supporting community based activities that support young children and their families. • Promoting the Ready for School entitlement across the organisation, service users and customers. • Know about the flexible free entitlement and 2 Year Offer funding and promote this to staff and service users/customers. • Promote the social values of the Authority and own company. • Prioritise supporting disadvantaged families with initiatives/activities • Proactively work with North Tyneside teams and services. 	<ul style="list-style-type: none"> • Provide information about what is on to employees and service users. • Provide parents with flexible working arrangements in order that they can attend parents’ consultation at school and other events. • Sponsoring activities or awards or events for young children and their families. • Have Ready for School entitlement information on website, displays and posters. • Visits to schools to promote their social values – assemblies, help at events, raffle prizes, support with Parent Teaching Association / governing body. • Work with the Authority in order to enable disadvantaged children and their families to access a wider set of experiences and opportunities which may be provided by themselves or others – extracurricular activities. • Collaborate wherever possible with other services in order in order to deliver a consistent message regarding social values.
Social Value Priority – Ready for Work and Life “Encouraging residents to take a greater part in their community, including volunteering and provide better training and job opportunities.”	
Suggested activities and ways of measuring social value	Examples of measure
<ul style="list-style-type: none"> • Encouraging community participation and engagement including residents engaging with community organisations. • Improving and increasing social networks and reducing isolation for individuals. • Create new job opportunities for all but particularly for disadvantaged groups including young people, women, the long-term unemployed, NEETs (those not in education, employment or training), people with health issues and disabilities and work 	<ul style="list-style-type: none"> • Joining the boards of local VCS (Voluntary and Community Service) organisation or offering other support in kind. • Employee Volunteer schemes that increase local volunteering with your workforce. • Using VCS organisations as part of your supply chain. • Number of jobs created. • Apprenticeships created. • Work experience weeks. • Residents supported.

<p>with supply chains to identify future job opportunities.</p> <ul style="list-style-type: none"> • Create apprenticeship opportunities. • Assist in creating a successful transition from school to work by contributing to structured school engagement activities. • Support residents to get ready for work by providing meaningful work experience placements as part of training courses. • Assist in retraining and up-skilling of local people with the view of retaining them in the local workforce and support employability initiatives such as traineeships, Sector Based Work Academies. • Work closely with local partnerships to identify employment needs at an early stage. • Help people to help themselves by encouraging usage and ease of access to community facilities and resources (such as schools, libraries, leisure facilities or computers) to targeted groups that otherwise would struggle to access such facilities. • Increasing volunteering / work experience opportunities for all including marginalised groups such as those with physical or learning disabilities. • Increasing employer engagement and awareness on the needs of vulnerable and disadvantaged groups. • Creating supply chain opportunities for the Voluntary and Community Sector, and social enterprises. • Increase new community businesses developed and the impact they have in communities. • Active engagement with relevant local networks and partnerships. 	<ul style="list-style-type: none"> • Residents into sustainable employment (26 weeks +).
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Social Value Priority – Cared for Safeguarded and Healthy “Supporting our local population to keep healthy and well and reducing / delaying the need for care and support services.”	
Suggested activities and ways of measuring social value	Examples of measure
<ul style="list-style-type: none"> • Promoting healthy lifestyles for residents. • Developing the role of health champions in communities. • Rolling out Making Every Contact Count Healthy Conversations Training to 	<ul style="list-style-type: none"> • Sponsoring a local sports club. • In work schemes to encourage physical activity such as walking, running and cycling groups. • Participating in the national bike to work

<p>community and voluntary sector.</p> <ul style="list-style-type: none"> • Workplace policies and practices which promote health and wellbeing of employees. • Increasing physical activity levels across the workforce and within the community. • Reducing smoking prevalence particularly amongst routine and manual groups. • Reducing obesity levels in children and adults. • Reducing alcohol related admissions to hospital. • Reducing / delaying the need for care and support services. 	<p>scheme.</p> <ul style="list-style-type: none"> • Providing subsidised gym membership to employees and families. • Providing regular health checks for employees or supporting employees to take up annual health checks with GP. • Ensuring vending machines in the work place exclude unhealthy products. • Membership of the Better Health at Work Scheme / progression to more advanced levels within the scheme. • Specific policies to support employees who are carers • Joining the North Tyneside SIGN directory. • Encouraging / promoting use of My Care web services by employees and residents. • Increase in the number of residents with care and support needs, who volunteer in local activities. • North Tyneside buildings that are part of the North Tyneside SAFE Places scheme. • Supporting people to stop smoking through good information and accessible services. • Supporting people to maintain a healthy weight through information and accessible services. • Promoting safe levels of alcohol consumption by ensuring people understand the Chief Medical Officer (CMO) guidelines. • Promoting healthy eating in the workplace. • Promoting positive mental health. • Promoting and providing accessible sexual health services.
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Social Value Priority – Great Place to Live and Work “Greater engagement between the local population and suppliers and / or Improving the range of business enterprises in the local supply chain.”	
Suggested activities and ways of measuring social value	Examples of measure
<ul style="list-style-type: none"> • Creating partnerships and opportunities for local SMEs and social enterprises. • Encouraging and supporting local enterprise and business start-up. • Active engagement and shared delivery with relevant local networks and partnerships. 	<ul style="list-style-type: none"> • Number of jobs created in North Tyneside businesses. • Number of new enterprises started in North Tyneside. • Increase in turnover in North Tyneside business, including value of new contracts won in North Tyneside.

<ul style="list-style-type: none"> • Offering work placements to school children and young adults. • Engaging with schools and colleges to provide curriculum support, skills workshops, careers advice and information and enterprise support for young people; with suppliers sharing knowledge and expertise about their future employment needs. • Encouraging usage and ease of access to community facilities and resources (such as schools, libraries, leisure facilities or computers) across the local population. • Engagement with user groups in the development and delivery of services. 	
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Social Value Priority – Great Place to Live and Work
 “Contributing to environmental sustainability”

Suggested activities and ways of measuring social value	Examples of measure
<ul style="list-style-type: none"> • Increasing the use of public / zero emission transport modes. • Stimulating demand for energy efficient products and low environment impact services. • Contributing to local climate change mitigation targets. • Increasing energy efficiency of domestic and operational buildings and business activities. • Encouraging local, ethical and fair trade purchasing. 	<ul style="list-style-type: none"> • Public transport journeys. • Electric / hybrid vehicle sales. • Cycle to work schemes. • Annual borough green house gas reporting. • Air quality. • Tonnes of waste recycled / reduced. • Display energy certificates in public buildings. • EPC and SAP rating for households. • Number of outlets selling fair trade products.

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