

FINANCE, AUDIT AND RISK COMMITTEE
12 NOVEMBER 2025

PART 1 – PUBLIC DOCUMENT

TITLE OF REPORT: PROCUREMENT STRATEGY 2025-28

REPORT OF: *Director- Resources*

EXECUTIVE MEMBER: *Resources*

COUNCIL PRIORITY: THRIVING COMMUNITIES / ACCESSIBLE SERVICES / RESPONSIBLE GROWTH / SUSTAINABILITY

1. EXECUTIVE SUMMARY

For Cabinet to approve a new Procurement Strategy (Appendix A) that reflects the Procurement Act 2023 (the Act), our Contract Procurement Rules and our Council Plan.

Whilst the primary focus is on delivering Value of Money, the Strategy also includes the following which align with our Council priorities:

- Maximising Public Benefit: Aiming to achieve the greatest possible benefit for the community through our procurement activities. This includes embedding sustainability, social value and supporting small/ local businesses.
- Transparency in Communication: Providing clear and accessible information to suppliers about our procurement policies and decisions to foster understanding and fair competition.
- Integrity: Maintaining the highest standards of integrity in all procurement actions and ensuring that our processes are transparent, promoting trust and accountability.

Annex A to the Strategy clarifies what we mean by 'Go Local' which seeks to (where feasible) support local businesses.

The proposal is that the new strategy will be for period up to 31st March 2028.

2. RECOMMENDATIONS

- 2.1. That Finance, Audit and Risk Committee provide comments to Cabinet on the proposed Procurement Strategy (as attached at Appendix A) with a focus on any risk and governance issues.

3. REASONS FOR RECOMMENDATIONS

- 3.1. Having a Procurement Strategy provides a focus for procurement activity and guidance, so that it can support the delivery of Council priorities.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1. Do Nothing. We could continue to use the current Procurement Strategy. But that is dated 2023/24 and was intended to be a short-term strategy pending the implementation of the Procurement Act. It was also written before the adoption of the current Council Plan. This is not the most appropriate approach as it would mean that part of the Council's regulatory framework is out of date.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1. A report went to the internal informal Political Liaison Board of the Executive and the Leadership team, in July 2025, and it was supported for consideration by Cabinet.

6. FORWARD PLAN

- 6.1 This report contains a recommendation on a key Executive decision that was first notified to the public in the Forward Plan on the 20 June 2025.

7. BACKGROUND

- 7.1. We adopted a short-term procurement strategy for 2023/24, which was a continuation of the previous strategy. This was because the t Act was due to implemented. The new Act would require a new set of Contract Procurement Rules. The plan was that a new procurement strategy would then follow.
- 7.2. Following delays to the implementation of the Procurement Act, and it was enacted with effect from 24th February 2025. Full Council agreed the new Contract Procurement rules on 19 September 2024. Whilst this was in advance of the implementation date the adopted changes to the Contract Procedure Rules reflect the statutory provisions as set out in the implemented Act.
- 7.3. The focus of the Procurement Officer has been on creating guidance and templates (to be used by Contract Managers) to support the new Act and the updated Contract Procedure Rules.

8. RELEVANT CONSIDERATIONS

- 8.1. The proposed procurement strategy (as attached at Appendix A) sets out our strategic objectives for procurement and therefore has strong links to our Council Plan. In section 2 it sets out four key aims, i.e.:
 - Delivering Value for Money
 - Maximising Public Benefit
 - Transparent in our communication
 - Acting with Integrity
- 8.2. Section 3 then describes in more detail how we will achieve those aims.
- 8.3. Section 6 details how we will measure success.

- 8.4. The remaining sections detail some further aspirations (i.e. commercial innovation, engaging with Small and Medium sized enterprises and engaging Voluntary, Community and Social Enterprises) and how we will seek continuous improvement.
- 8.5. Annex A to the Strategy details how we will look to support local businesses through our Go Local policy.
- 8.6. There will be further annexes and supporting documentation that sits alongside the strategy. These will support Contract Managers with the practical application of the Strategy. These will be developed over the remainder of this year.

9. LEGAL IMPLICATIONS

- 9.1. The Act, effective from 24 February 2025, introduces significant reforms to public procurement processes in the UK. The Act aims to enhance transparency, efficiency and accountability in public procurement. The requirements of the Act have been reflected in the Procurement Strategy. Failure to comply with the procurement laws and regulations, can result in legal challenges, fines and reputational damage.
- 9.2. Cabinet's Terms of Reference at paragraph 5.7.1 state that they will "prepare and implement policies and strategies other than those reserved to Council". As the Procurement Strategy is not reserved to Council (in either sections 4 or 20 of the Constitution) then it is a Cabinet decision.
- 9.3. Finance, Audit and Risk (FAR) Committee's terms of reference include (at paragraph 10.1.5 (u)) to "review any issue referred to it by the Chief Executive, Statutory Officer or Director...". The Director – Resources (Chief Finance Officer) is referring this strategy to FAR as it is felt that they can provide useful input to Cabinet in considering the risk and governance issues related to the Strategy.

10. FINANCIAL IMPLICATIONS

- 10.1. There are no specific financial implications arising from this report. Overall, the Procurement Strategy seeks to develop improved Value for Money.

11. RISK IMPLICATIONS

- 11.1. Good Risk Management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.
- 11.2. The Procurement Strategy aligns what we want to achieve from our procurements with our Council Plan. This helps to manage risk.

12. EQUALITIES IMPLICATIONS

- 12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

- 12.2. The Strategy aims to support the Council priority for accessible services and also includes a section setting out our Equality Duty and what we expect from our suppliers.

13. SOCIAL VALUE IMPLICATIONS

- 13.1. The Social Value Act and “go local” requirements do not directly apply to this report. However, this Procurement Strategy supports the delivery of Social Value and looks to reinforce what we mean by “go local”.

14. ENVIRONMENTAL IMPLICATIONS

- 14.1. There are no known direct Environmental impacts or requirements that apply to this Strategy. Although the Procurement Strategy commits to a Green Procurement checklist, that will seek to improve the environmental outcomes from our procurements.

15. HUMAN RESOURCE IMPLICATIONS

- 15.1 The delivery of the Procurement Strategy will be supported by the Procurement Officer and Contract Managers. Other Officers (e.g. Climate Change and Sustainability Project Manager, Policy and Strategy) will provide specialist support. The Strategy has been discussed at our Contract and Procurement Group to get feedback on its practical application, which did not identify any issues.

16. APPENDICES

- 16.1 Appendix A - Proposed Procurement Strategy

17. CONTACT OFFICERS

- 17.1 *Ian Couper, Director – Resources, ian.couper@north-herts.gov.uk, ext: 4243*
- 17.2 Rizwan Sarwar, Procurement Officer, rizwan.sarwar@north-herts.gov.uk, ext: 4392
- 17.3 Ellie Hollingsworth, Policy and Strategy Officer, ellie.hollingsworth@north-herts.gov.uk, ext: 4220
- 17.4 Natasha Jindal, Deputy Monitoring Officer, natasha.jindal@north-herts.gov.uk

18. BACKGROUND PAPERS

- 18.1 *Contract Procurement Rules <https://www.north-herts.gov.uk/sites/default/files/2025-05/Section%2020%20-%20Contract%20Procurement%20Rules.pdf>*