

**AGENDA ITEM:**

<b>REPORT TO:</b>	<b>MERSEYSIDE FIRE &amp; RESCUE AUTHORITY MEETING</b>
<b>DATE:</b>	<b>18<sup>TH</sup> MARCH 2010</b>
<b>REPORT NO.</b>	<b>CFO/043/10</b>
<b>REPORTING OFFICER:</b>	<b>KIERAN TIMMINS, EXECUTIVE DIRECTOR OF RESOURCES</b>
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<b>SUBJECT:</b>	<b>LOCAL PROCUREMENT STRATEGY</b>

- APPENDIX A TITLE: JOINT LOCAL PROCUREMENT STRATEGY**
- B TITLE: EQUALITY & DIVERSITY IN PROCUREMENT POLICY**
- C TITLE: SUSTAINABLE PROCUREMENT POLICY**

**ATTACHED – HARD COPY**

Purpose of Report

1. To request that Members approve the recommendations of this report relating to the proposed Joint Local Procurement Strategy, Equality & Diversity in Procurement Policy and Sustainable Procurement Policy.

Recommendation

2. That Members approve the Joint Local Procurement Strategy, Equality & Diversity in Procurement Policy and Sustainable Procurement Policy.

Executive Summary

Merseyside Fire and Rescue Service is committed to providing value for money through its procurement operations and always seeks to improve those arrangements. The new National Procurement Strategy for the Fire & Rescue Service in England 2009-12 was published on 7<sup>th</sup> August 2009, and reported to Resources Committee on 15<sup>th</sup> September 2009. To ensure best practice and continual improvement in procurement (and to ensure alignment with the National Procurement Strategy), a revised Local Procurement Strategy has been developed along with a new Equality & Diversity Within Procurement Policy, and a Sustainable Procurement Policy.

## Introduction & Background

3. Members will recall that Merseyside and Lancashire Fire and Rescue Services operate a shared procurement service. In order to be efficient and reduce duplication this has allowed the joint preparation of a revised collaborative Local Procurement Strategy (Appendix A).
4. The shared service approach has brought many benefits to both services and has allowed large-scale efficiency projects like the joint NW procurement of fire clothing led by the partnership.
5. The key points to note within the Strategy are:
  - The document has been produced taking cognisance of the Authorities Risk Management Plans which drive Service requirements
  - It also takes account of the wider procurement frameworks including the National Procurement Strategy 2009 – 12, the Treasury's Operational Efficiency Programme (2009) and the OGC Publication 'Transforming Government Procurement' (2007).
  - The importance of developing e-procurement activities within the Authority to release resources for re-investment or to increase efficiency.
  - The requirement for stakeholder engagement as appropriate when undertaking a procurement project.
  - The Authority's commitment to strive to obtain Value for Money in all of its procurement activities. This includes the requirement to utilise a competitive procedure when seeking to procure goods and services, as well as awarding contracts on a Most Economically Advantageous Tender basis.
  - The Authority will seek to increase its participation in both partnership and consortia where it will help to achieve best value or promote best practice in the profession. In conjunction with this, the Authority will seek to utilise framework contracts where they offer commercial or cost benefit. This is also mentioned in the objectives of the National Procurement Strategy.
  - The recognition that Business Continuity Planning and effective Risk Management are key elements for consideration in a procurement process, especially in the current economic climate.
  - The social responsibility aspects of procurement, including sustainability & environmental considerations as well as equality and diversity matters, and the way in which procurement helps to meet the corporate objectives in respect of these issues.

- The requirement to treat all suppliers in a fair and transparent way, and the commitment to look for ways to support local suppliers and local economies where no legal framework impedes it.

The revised Joint Local Procurement Strategy clearly identifies the Authority's roles and responsibilities in respect of :

- Efficient Procurement and Value for Money
- Controls, Standards and Risk
- Social Responsibility

#### Equality & Diversity Implications

6. Any equality and diversity implications have been considered in the Equality & Diversity in Procurement Policy document. In addition, a full equality impact assessment has been undertaken.

#### Financial Implications & Value for Money

7. Effective local and collaborative procurement should ensure that we continue to purchase goods and services which represent Value for Money for the Authority.

#### Health & Safety and Environmental Implications

8. The Joint Local Procurement Strategy outlines our commitment to improve procurement procedures with respect to sustainability and environmental considerations. This Strategy should also be considered along with the Sustainable Procurement Policy.

#### Contribution to Achieving the Vision:

“To Make Merseyside a Safer, Stronger, Healthier Community”

9. This Strategy is intended to contribute to the MFRS vision by the way in which it identifies and clarifies the Authority's roles and responsibilities in respect of Value for Money and social responsibility within procurement. It also outlines the Authority's commitment to look for ways to support local suppliers and the local economy.

### **BACKGROUND PAPERS**

Paper	Date	Contact
The National Procurement Strategy 2005-08	2005	S Whitworth
Transforming Government Procurement	2007	S Whitworth
The Treasury's Operational Efficiency Programme	2009	S Whitworth
The National Procurement Strategy 2009-12	2009	S Whitworth

