



Colchester  
City Council

**Colchester City Council**

# **Procurement Strategy**

## **2025 - 2030**

## Contents

Section	Page
Introduction	3
Strategic Plan	3
Local Government Reorganisation and Essex Procurement Partnership	3
Procurement Objectives	4
Procurement Processes	8
The Procurement Act 2023	9
Roles and Responsibilities	9
Monitoring and continuous improvement	10
Regulatory	10

## 1. Introduction

This Procurement Strategy sets out the organisational approach to procurement for Colchester City Council. It outlines the objectives, approach and processes that we will use to acquire goods, services and works in a cost-effective, efficient, and ethical manner. It also aims to ensure that officers are supported by our purchasing and procurement teams and processes, to best enable the delivery of services for our communities.

In 2024/25, Colchester City Council raised over £71million in Purchase Orders, and although some of this spend will relate to contracts running into future years, this represents the significant spending decisions made within one year alone. The Council has a relatively large economic influence in the local area and spend needs to be properly controlled and governed to ensure good value for money to the benefit of local taxpayers.

This strategy covers the entire procurement lifecycle from planning and sourcing to contract management and supplier performance evaluation. It also takes into account changes in requirements through the Procurement Act 2023.

## 2. Strategic Plan

This strategy aims to support the overall vision and objectives of the Council by ensuring that procurement activities and goals are aligned with Colchester City Council's three-year strategic plan, 'A City fit for the Future', and that they contribute to operational efficiency and enhance overall value for money.



The Purchasing and Procurement Teams will continue to work with colleagues and teams across the organisation to support them with all purchasing activity. They adopt a supportive and collaborative approach to ensure compliance with this strategy and purchasing and procurement processes.

## 3. Local Government Reorganisation & Essex Procurement Partnership

As Colchester City Council prepares for Local Government Reorganisation (LGR), it is important that Procurement and Purchasing processes align where possible with other authorities within Essex. As such, we will work to support the LGR Procurement Workstream which includes representatives from

all the Local Authorities within Essex. Officers should consider LGR impacts for all procurement activity going forward and this should be clearly outlined in any formal decision reports.

We are also committed to working closely with the Essex Procurement Partnership (EPP), which is a collaboration of public sector organisations in Essex which has been formed with the aim to enable best in class procurement for every pound spent by member local authorities across Essex. As part of this we will:

- Adopt common templates and documentation where possible
- Take part in any appropriate shared procurement activity
- Regularly review Colchester's position in terms of membership
- Align this strategy and all related policies and processes as much as possible to the Essex Procurement Partnership principles and approach.

The Essex Procurement Partnership has the following objectives:

- Contract liquidity; To develop a clear contract register and forward plan enabling proactive procurement.
- Request for Quote Process; for sourcing activity below procurement thresholds
- Category Management
- Collaboration
- Social Value

#### 4. Procurement Objectives



##### 4.1. Deliver Value for Money

- Ensure efficient and streamlined procurement and purchasing processes to achieve savings and efficiencies
- Obtain and improve the best possible outcomes by considering cost, quality and sustainability
- Increase focus on Category Management, Contract Management and Supplier Relationship Management to better assess value for money

##### 4.2. Maximise the benefits of Social Value

Social Value through procurement is the additional benefit to the community which we can derive, over and above the direct purchasing of goods, services and outcomes.

Public authorities consider the wider financial and non-financial value created by an organisation through the way it delivers their contract and express it in terms of the wellbeing generated for individuals, communities, the economy and the environment.

Requiring our suppliers to set out the social, economic and environmental benefits they achieve when performing our contract means that the true commercial impact is considered when tendering. It will encourage vendors to consider the way that they deliver goods, services or works.

The Council will:

- Where appropriate, engage with suppliers who support the local economy, provide social benefits and contribute positively to the environment, e.g. commitment to paying a living wage
- For contracts valued over £100,000, social value should be included in the evaluation criteria with a weighting of 10% where at all possible. (This level is set as a principle for the organisation however, it is accepted that some types of procurement or specific projects may not be able to reasonably do this)
- Social value isn't limited to contracts over £100,000. For contracts valued under £100,000, social value should be a consideration and included as part of the procurement exercise if it is appropriate
- Ensure that staff understand social value and look for social value in goods and services procured. All procurement and purchasing activity should consider social value and aim to achieve some local benefits where at all possible.
- Regularly monitor suppliers and their social value contributions

Our **Social Value Themes, Outcomes and Measures** are set out below:-

**A strong, inclusive  
and sustainable  
economy**

- Borough/district residents in employment, skills gaps reduced and barriers to employment reduced for disadvantaged groups.
- Business growth and the impact of public sector spend within the county maximised.

**A good place for  
children and  
families to grow**

- Outcomes improved for the most vulnerable and disadvantaged groups
- Businesses and communities support the achievement of education outcomes
- Our partners to help make our communities safer and address key issues such as violence and vulnerability, and safety for women and girls

### Health, Wellbeing and Independence for all Ages

- Partners and communities address the socio-economic drivers that underpin poor health outcomes, such as poor housing, poverty, economic insecurity, and low skills.
- Residents enabled to live independently and increased proportion of people able to live healthy lifestyles.

### A high-quality environment

- Suppliers contribute to the delivery of net zero targets; reduced greenhouse gases; reduced waste; and strengthened climate resilience.

## 4.3. Strengthening Supplier Selection and Supplier Relationship Management

When undertaking procurement activity, officers should: -

- Conduct thorough needs assessments to determine exact requirements and create a formal specification
- Perform suitable market research and analysis to identify and assess the best available solutions and suppliers
- Use competitive tender bidding or relevant framework process where appropriate to encourage competition among suppliers and drive cost-effectiveness and quality. The minimum threshold for requiring this formal process is £50,000
- Use a fair and transparent process to evaluate and select suppliers, including 'Requests for Quotations (RFQs)'. Anything purchased over £5,000 should have a minimum of three quotes unless there is legitimate grounds or reason why this is not possible
- Develop and maintain strong, collaborative relationships with suppliers to foster innovation, improve service delivery, and achieve mutual benefits
- Negotiate and secure the best value for money
- Regularly evaluate supplier performance against agreed criteria and take corrective actions as necessary to ensure high levels of service delivery
- Resolve and manage conflicts
- Engage and communicate with suppliers on procurement opportunities, processes and expectations

**High value, high risk spend** reviewed to improve customer service and drive collaboration with strategic suppliers to take out costs

**High value, low risk spend** driven by competitive use of the markets

**Low value, high risk spend** will focus on ensuring supply and minimising supply chain vulnerability

**Low value, low risk spend** will be procured as efficiently as possible to minimise transaction costs. Use of frameworks and catalogues to be developed.

#### 4.4 Improving Category Management

The procurement and purchasing teams are working to improve processes as much as possible, and as part of this are committed to creating an approach that improves category management going forward.

Category management involves the grouping of related goods, services or works in to categories, and then managing those categories in order to drive value, efficiency and compliance. As an example, a category would be the grouping of all ICT contracts or purchasing activity.

The Procurement & Purchasing Teams will: -

- Analyse quarterly spend categories, highlighting opportunities for supplier review and identifying off-contract spending to ensure appropriate procurement is undertaken
- Develop a good understanding of the suppliers used for key categories of spend, enabling the purchasing and procurement team to support services to choose the best supplier for their needs, whilst adhering to procurement procedures
- Ensure suppliers are correctly categorised on the Contracts Register to improve the quality of information available.

#### 4.5 Better Contract Award and Contract Management

Contracts are awarded with support of Procurement and Legal Services and are then managed by the individual services. We will collectively ensure that:

- Contracts are negotiated and awarded to selected suppliers, ensuring that terms and conditions are clearly defined and agreed
- Contracts are monitored and managed to ensure the objectives of a contract are delivered in accordance with the agreed timescales and price, with the agreed quality measures
- Manage and expedite day to day delivery handling and address any issues and challenges that arise
- The use of existing frameworks and contracts is optimised
- Opportunities for aggregation, standardisation and rationalisation of procurement spend will be identified
- Effective contract management practices and tools to monitor and improve contract performance will be implemented
- A Contract Management Procedure will be developed and adopted by the Council

- All types of spend are regularly reviewed, for example purchase cards, to ensure that we are following the most appropriate purchasing or procurement process and achieving the best value through our contracts.

#### **4.6 Undertake Sustainable and Ethical Procurement**

All officers should:-

- Ensure that all procurement activities are conducted ethically and in compliance with legal and regulatory requirements
- Promote ethical, sustainable and inclusive procurement practices, including the consideration of environmental, social and economic impacts
- Promote The Armed Forces Covenant where possible

#### **4.7 Continuous Risk Management**

When initiating procurement activity, awarding contracts or managing contracts, all officers should identify, assess and mitigate procurement risks to protect the interests of the Council and ensure the reliability of supply.

- Complete quarterly analysis of spend to highlight high value spend and ensure compliance with procurement processes
- Monitor spend monthly to track potential high spend supplier activity and ensure contractual agreements in place
- Conduct regular internal audits and assessments of procurement activities to ensure compliance with policies, procedures and regulatory requirements

### **5. Procurement Processes**

The strategy aims to develop, enhance and refresh all current procurement processes to ensure that the desired Procurement objectives can be achieved, and that clear and detailed information is available and accessible.

The focus is to develop and maintain a detailed forward planning Procurement Pipeline, outlining procurement activities, method, timeline and budget.

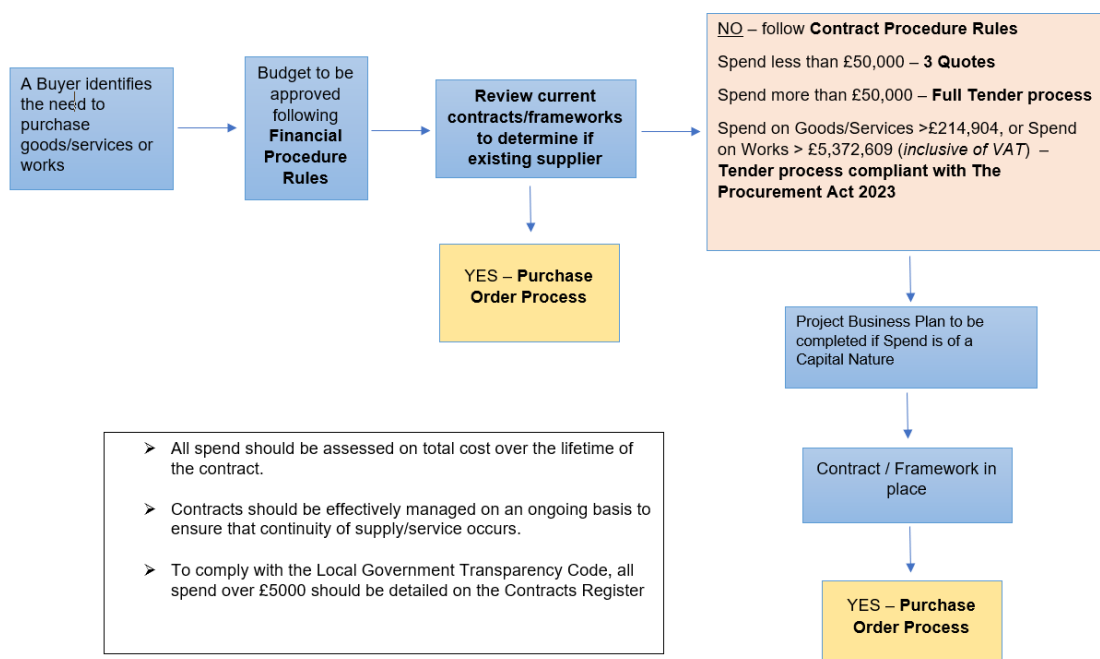
We also aim to have a clear Annual Procurement Plan which is approved by Senior Leadership Board and Cabinet at the start of each financial year (starting from 2026/27).

The intention is to align with the Essex Procurement Partnership principles, and to ensure that the most appropriate sourcing strategy, (e.g. open tender, direct procurement) based on the needs assessment and market analysis, is selected.

All Contracts over £5k in value must be published on the Contracts Register, which in turn is published on the Colchester City Council website on a monthly basis. It is imperative therefore that there is a detailed and up-to-date Register that is easy to use, access, and maintain, and which provides meaningful and easy to read information for our residents.



## 5.1 Procurement Process – High Level



## 7. The Procurement Act 2023

The Procurement Act went live on the 24th February 2025.

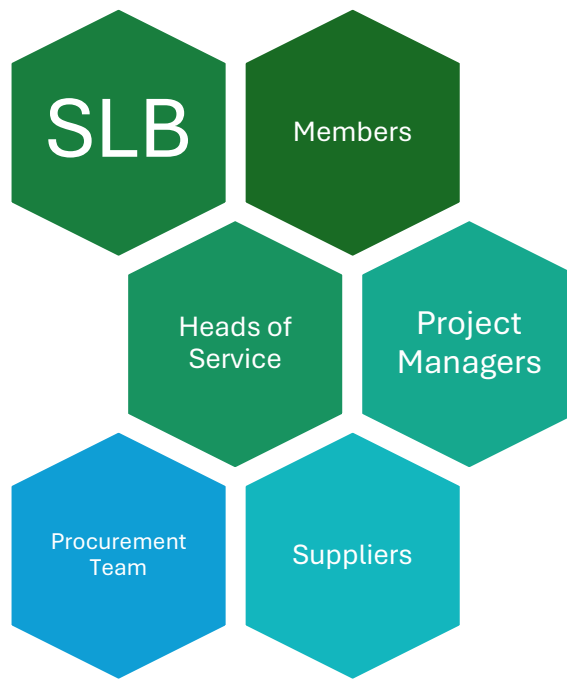
The Procurement Act brings a range of benefits, including: -

- Creating a simpler and more flexible commercial system
- Opening up public procurement to new entrants such as small businesses and social enterprises so that they can compete for and win more public contracts.
- Taking tougher action on underperforming suppliers and excluding suppliers who pose unacceptable risks
- Embedding transparency throughout the commercial lifecycle so that the spending of taxpayers' money can be properly scrutinised

The Procurement Team has adapted processes and documentation to adhere to the changing requirements under this act. In addition, the Council Contract Procedure Rules have been updated to reflect this.

## 8. Roles and Responsibilities

The ongoing strategic approach is to develop and deliver a Procurement and Purchasing training programme with the intention of enhancing the skills, capabilities and knowledge of procurement staff and stakeholders in line with their respective responsibilities.



### 8.1. Senior Management Board & Cabinet Members

Senior Management and Members will provide strategic direction and oversight for procurement activities. They will also have the authority to approve procurement plans and major contract awards.

### 8.2 Heads of Service

Heads of Service are responsible for ensuring that the strategy and compliance requirements are communicated effectively. They must ensure that the provisions of the Constitution regarding Contract Procedure Rules and Financial Procedure Rules are effectively implemented and monitored within services.

### 8.3. Project Managers

Project Managers will provide detailed specifications and requirements for goods, services or works and collaborate with the Procurement Team as necessary to develop procurement requirements and plans.

They are responsible for the ongoing management of the awarded contract.

### 8.4 Procurement Team

- ✓ Develop and implement procurement strategies and policies
- ✓ Conduct needs assessment and market analyses
- ✓ Manage the Procurement Pipeline and Contracts Register
- ✓ Provide coaching and mentoring support to staff and stakeholders
- ✓ Undertake Quarterly Spend Analysis review
- ✓ Define the benefits of Social Value

## 9. Monitoring and Continuous Improvement Review

All areas of the Council must comply with the Financial and Contract Procedure Rules as set out in the Constitution - [The Constitution · Colchester City Council](#).

All areas of council service are subject to service planning and performance measurement and review. This is managed through service plans, corporate strategies and key performance indicators.

Service delivery will be regularly reviewed in line with this strategy: -

- The Head of Operational Finance and Senior Procurement Consultant will seek to identify opportunities to improve the service and where appropriate, prepare an action plan to address service issues.
- A monthly report of spend is analysed to help identify non-compliance with procurement procedures and will be escalated to Senior Leadership Board where necessary
- Internal audit of procurement activity will take place to identify and address issues and risks
- The Procurement and Purchasing Teams will seek out and act on feedback and suggestions from staff, stakeholders, suppliers and partners.

## 10. Regulatory

The Council [Constitution](#) provides guidance on the commissioning of goods and services and is managed through the [Contract Procedure Rules](#) and [Financial Regulations](#). Officers are required to adhere to these rules when purchasing on behalf of the Council.

These rules are set at levels to ensure value for money can be achieved and that decision-taking can be made at practical levels.

Our strategy is to ensure that our procedure rules remain relevant and ensure compliance with EU regulations and Thresholds, and the Local Government Transparency Code. Compliance with the Procurement Strategy and Contract Procedure rules will be reviewed annually by Senior Leadership Board and the Governance and Audit Committee.