

National Procurement Strategy for Local Government in England: One Year On

February 2016



Acknowledgements

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Summary

The National Procurement Strategy (NPS) for Local Government in England was launched in 2014. It sets out a vision for local government procurement and encourages all councils in England to engage with the delivery of outcomes in four key areas. One year on, the Local Government Association (LGA) was keen to review the impact that the NPS might be having on procurement practices within local councils.

In July 2015, all councils in England were invited to complete an online survey about the NPS to help the LGA to gain a better understanding of its impacts. The survey asked a series of questions which centred on the four main themes of the Strategy, namely 'making savings', 'supporting local economies', 'demonstrating leadership' and 'modernisation'. The survey also asked about any savings, or other benefits, that councils may have achieved by applying the ideas and recommendations outlined in the NPS. It also asked about savings, or other benefits, that councils may have achieved by applying the ideas and recommendations outlined in the NPS.

The survey was sent to all Heads of Procurement (or equivalent) and was in the field between 24 July and 28 October 2015. A total of 353 councils were contacted; a 31 per cent response rate.

Key messages

- **Overall awareness:** There was very high awareness of the National Procurement Strategy among respondents (95 per cent). Additionally, six out of ten respondents (61 per cent) said their council had committed to implementing its recommendations.
- **Making Savings:** The most positive replies from respondents working in single tier/county councils were received in relation to 'category management'. A good proportion of these respondents said their council was carrying out four of the six recommended approaches to 'a great extent' (at least 63 per cent). The majority of respondents in district councils (52 per cent) said their council was reviewing and using existing frameworks to a great extent.
- **Supporting Local Economies:** The most positive replies from respondents working in single tier/county councils were received in relation to 'improving access for SMEs and VCSEs'. A good to high proportion of these respondents said their council was carrying out eight of the 13 recommended approaches to 'a great extent' (at least 53 per cent). The majority of respondents in district councils (62 per cent) said their council made it clear how suppliers can bid for council tenders.

- **Demonstrating Leadership:** The most positive replies from respondents working in single tier/county councils were received in relation to 'commitment from the top'. A good proportion of these respondents said their council was carrying out three of the six recommended approaches to 'a great extent' (at least 56 percent). The majority of respondents in district councils gave their most positive reply in relation to 'procurement training', when asked if their council ensured that senior officers were involved directly in high value contracts.
- **Modernisation:** The most positive replies from respondents working in single tier/county councils were received in relation to 'using technology'. For example, 95 per cent said their council used electronic means for tendering processes (the figure was 60 per cent for respondents in district councils). The sub-theme 'EU directives' also received a good or high proportion of responses from those in single tier/county councils.
- **Savings and other benefits:** The majority of respondents working in single tier/district councils said their council had made savings or achieved other community benefits, in 'category management' (53 per cent), 'partnering and collaboration' (53 per cent) and 'commercialisation and income generation' (50 per cent). Forty-eight per cent of respondents in district councils said savings or other benefits had been made in relation to 'partnering and collaboration'. Twenty-six respondents gave details of the savings achieved by applying the good practice outlined in the NPS; the range given was £10,000 to £17,600,000 for the period 2014/15 (an average of £3,956,851). The total savings for these 26 councils was valued at £46,023,344 for 2014/15.

Introduction

The National Procurement Strategy (NPS) for Local Government in England was launched in 2014. It sets out a vision for local government procurement and encourages all councils in England to engage with the delivery of outcomes in four key areas. One year on, the Local Government Association was keen to review the impact that the NPS might be having on procurement practices within local councils.

In July 2015, all councils in England were invited to complete an online survey about the NPS to help the LGA gain a better understanding of its impacts. The survey asked about making savings, supporting local economies, demonstrating leadership and modernisation.

This report contains a full analysis of the findings.

Methodology

Survey design

The LGA's Research and Information Team conducted an online survey to evaluate the possible impacts of the NPS for Local Government in England. To reflect the content of the Strategy, the survey was organised around four main themes:

- **Making Savings** – including category management, partnership and collaboration, contract and supplier engagement, performance and transparency, risk and fraud management, and demand management.
- **Supporting Local Economies** – including economic, environmental and social value, improving access for small and medium enterprises (SMEs) and voluntary, community and social enterprises (VCSEs).
- **Demonstrating Leadership** – including single cohesive voice, commitment from the top, commissioning, and procurement training
- **Modernisation** – including commercialisation, supplier innovation, using technology, and EU directives

A set of 20 questions were presented to councils based on the recommendations of the NPS; these differed for single tier/county councils, and district councils, as per the Strategy.

Response rate

The survey was sent to all local authority Heads of Procurement (or equivalent) and was in the field between 24 July and 28 October 2015. Reminders were sent to non-responding councils at various points during the data collection process. A total of 353 councils were contacted. We received a 31 per cent response rate overall. This is a slightly lower response rate for a survey such as this, perhaps reflecting the fact that some councils, particularly those at district level, operate without a dedicated procurement manager.

The level of response means that the results should strictly be taken as a snapshot of the views of this particular group of respondents, rather than as representative of Heads of Procurement overall. It is fair to say, however, that the results do provide some indication of the position of the sector more widely.

A breakdown of the response rate by organisation type is shown in Table 1. We received the highest number of responses from councils within London (55 per cent of such councils responded). Around a third of metropolitan districts, counties and unitary authorities responded (36, 33 and 30 per cents, respectively). Twenty-six per cent of district councils also responded to the survey.

	Number	Per cent
County	9	33
District	52	26
London Borough	18	55
Metropolitan District	13	36
Unitary Authority	17	30
Total	109	31

Table 2 breaks down the response rate by region. The table shows a somewhat varied response rate across regions. We received a higher than average response from councils in five of the 10 regions surveyed (ranging from 33 to 58 per cent).

Table 2: Response rate by region

	Number	Per cent
East Midlands	6	33
East of England	17	13
London	18	55
North East	7	58
North West	9	22
South East	20	27
South West	16	39
West Midlands	12	36
Yorkshire and the Humber	4	18
Total	109	31

Please note the following when reading the report:

- The data presented in this report have been aggregated, and no individuals or councils are identified.
- Where tables and figures report the base, the description in brackets refers to the group of people who were asked the question. The number provided refers to the number who answered each question. Please note that bases vary throughout.
- As the response base for single tier/county councils is 57, and is 52 for district councils, care should be taken when interpreting percentages, as small differences can seem magnified. Therefore, throughout this report, absolute numbers are reported alongside the percentage values.

Full Results

This section provides aggregated results for each question. Single tier/county councils and district councils were asked slightly different questions to reflect the recommendations contained within the NPS. Their results are reported separately but under the relevant themes of the Strategy (with the exception of the first two questions).

Overall Awareness

Awareness of the National Procurement Strategy was very high; awareness among respondents stood at 95 cent (see Table 3).

Table 3: Are you aware of the National Procurement Strategy (NPS) for Local Government in England, launched in July 2014?

	Number	Per cent
Yes	104	95
No	5	5
Don't know	0	0

Base: (all respondents) 109

Six out of ten respondents (61 per cent) said their council had committed to implementing the recommendations outlined in the NPS. Thirty-two per cent said their council had not committed, while six per cent were unsure (see Table 4).

Table 4: Has your council committed to implementing the recommendations outlined in the NPS?

	Number	Per cent
Yes	67	61
No	35	32
Don't know	7	6

Base: (all respondents) 109

Theme 1: Making Savings

The first theme of the NPS is ‘making savings’ and refers to the significant financial pressures that councils are facing from reductions in government funding and rising demand. It recommends using spending power wisely and strategically, and setting targets for procurement and contract management.

Category Management

Category Management in procurement can help to reduce the cost of buying goods and service. It can reduce risk in the supply chain, increase overall value from the supply base and help gain access to more innovation from suppliers.

Responses to questions about category management from single tier/county councils were largely positive (see Table 5). Seventy per cent of respondents said their council ensured the timely publication of data ‘to a great extent’, and 67 per cent said their council looked to identify its main spend categories ‘to a great extent’. Sixty-three per cent said their council used existing frameworks instead of setting up new ones, and undertook its own spend analysis, ‘to a great extent’. However, only 40 per cent said their council reported on savings made by a category management approach ‘to a great extent’, and 33 per cent reported ‘to a great extent’ when asked if their council sought to have a clear category management strategy in place for each categories of spend.

Table 5: To what extent does your council...										
Single tier/county councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
Look to identify its main spend categories?	38	67	18	32	1	2	0	0	0	0
Seek to have a clear category management strategy in place for each categories of spend?	19	33	25	44	11	19	2	4	0	0
Use existing frameworks instead of setting up new ones?	36	63	19	33	2	4	0	0	0	0
Ensure timely publication of data?	40	70	13	23	3	5	0	0	1	2
Undertake its own spend analysis?	36	63	17	30	4	7	0	0	0	0
Report on savings made by using a category management approach?	23	40	18	32	8	14	8	14	0	0

Base (all respondents in single tier/county councils): 57

District councils were also asked about category management (see Table 6). Of all those who responded, 52 per cent said their council reviewed and used existing framework contracts 'to a great extent' and 46 per cent said their council ensured timely publication of procurement data, 'to a great extent'. However, only four per cent said their council reported on savings made by a category management approach 'to a great extent', and 35 per cent reported 'to a great extent' when asked if their council undertook its own spend analysis.

Table 6: To what extent does your council...										
District councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
Review and use existing framework contracts?	27	52	17	33	7	13	1	2	0	0
Ensure timely publication of procurement data?	24	46	24	46	4	8	0	0	0	0
Undertake its own spend analysis?	18	35	21	40	9	17	3	6	1	2
Report on savings made by using a category management approach?	2	4	10	19	15	29	24	46	1	2

Base (all respondents in district councils): 52

Partnering and Collaboration

Councils have been encouraged to establish partnering and collaboration arrangements for at least a decade and many have been doing just so for much longer. Working with the wider public sector is becoming more and more normal practice, and council integration of demand and supply chains with colleagues in fire, health, police and other wider public sector organisations can lead to appropriately aggregated spend, the use wider experience and greater expertise and reduces duplication of work.

Asked about partnering and collaboration, 47 per cent of respondents from single tier/county councils said that they maximised the use of all available procurement resources including across council boundaries 'to a great extent' and 39 per cent considered business cases for new models of delivering procurement services 'to a great extent'. However, only 11 per cent said their council set targets for savings or income generation from collaborative spend 'to a great extent' while 28 per cent did not do this at all. See Table 7.

Table 7: To what extent does your council...

Single tier/county councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
Set targets for savings or income generation from collaborative spend?	6	11	21	37	14	25	16	28	0	0
Maximise the use of all available procurement resources including across council boundaries?	27	47	23	40	7	12	0	0	0	0
Consider business cases for new models of delivering procurement services?	22	39	19	33	11	19	5	9	0	0

Base (all respondents in single tier/county councils): 57

Respondents who replied 'to a great/moderate extent' when asked the extent to which they 'consider the business case for new models of delivering procurement services' were asked to list which new models of delivering procurement services were being used. Thirty-six respondents gave details – see Annex A.

District councils were also asked about partnering and collaboration (see Table 8). Eighty-eight per cent of district councils explored the options relating to sharing services or posts with appropriate partner to 'a great extent' or 'a moderate extent'. Only two per cent (one person) did not do this at all.

Table 8: To what extent does your council...

District councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
Explore the options relating to sharing services or posts with appropriate partners?	29	56	17	33	4	8	1	2	1	2

Base (all respondents in district councils): 52

Contract and Supplier Engagement

Councils spend significant and increasing amounts via contracts with suppliers, often as part of their transformation to meet financial challenges. Contract management is more than ensuring suppliers meet their contractual obligations, it can also help councils to identify and manage their own and their suppliers' risks, and achieve savings and continuous improvement throughout the life of the contract.

Asked about contract and supplier engagement, 46 per cent of respondents in single tier/county councils said their council made mandate timely payment to sub-contractors through contract clauses 'to a great extent' and 33 per cent monitor and enforce internal compliance to 'on contract spend 'to a great extent'.

Identifying second tier spend and activity for high value/risk contracts was used to either 'a small extent' or 'not at all' by 54 per cent of single tier/county councils. See Table 9.

Table 9: To what extent does your council...										
Single tier/county councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
Ensure contract management is part of the responsibilities of the Councillor champion?	11	19	16	28	16	28	12	21	2	4
Integrate a corporate approach to contract management within the council's procurement and commissioning models?	13	23	23	40	16	28	4	7	1	2
Invest resources in developing and sustaining a capacity for good contract management?	9	16	20	35	25	44	2	4	1	2
Scrutinise strategic contracts post-award to ensure key benefits are achieved?	9	16	31	54	15	26	2	4	0	0
Monitor and enforce internal compliance to 'on contract spend'?	19	33	26	46	11	19	1	2	0	0
Develop and implement performance indicators that are aligned with business outcomes?	14	25	35	61	7	12	1	2	0	0
Identify second tier spend and activity for high value/risk contracts?	6	11	18	32	26	46	5	9	2	4
Develop and agree exit strategies within all major contracts?	14	25	28	49	14	25	1	2	0	0
Mandate timely payment to subcontractors through contract clauses?	26	46	22	39	9	16	0	0	0	0

Base (all respondents in single tier/county councils): 57

District councils were also asked about contract and supplier engagement. Twenty-seven per cent of respondents said expecting main contractors to act fairly with supply chains and mandate timely payment to subcontractors through contract clauses was done to a 'to a great extent' in their council. See Table 10 for more details.

Table 10: To what extent does your council...										
District councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
Measure contract outputs and key performance indicators (KPIs) to ensure competitiveness over the life of the contract?	7	13	28	54	14	27	2	4	1	2
Expect main contractors to act fairly with supply chains and mandate timely payment to subcontractors through contract clauses?	14	27	23	44	10	19	3	6	2	4

Base (all respondents in district councils): 52

Performance and Transparency

By engaging more with each other, councils can better manage the performance and transparency of suppliers, as long as this is proportionate to the budget and level risk in the contract. Actively managing major/common suppliers and building a higher volume of orders can reduce supplier prices.

Responses to our questions on performance and transparency from single tier/county councils were mostly positive (see Table 11). In terms of putting systems in place to map contracts, data sharing and setting savings targets, at least 70 per cent of councils were doing this to 'a great extent' or 'to a moderate extent'. Far fewer, however, replied in this way about extending the requirement to publish information on performance and costs to contractors (just 33 per cent).

Table 11: To what extent does your council...										
Single tier/county councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
Put systems in place to map contracts, measure spend, collect feedback and measure the benefits achieved?	18	32	26	46	9	16	2	4	2	4
Engage with regional or national information and data sharing?	23	40	22	39	9	16	3	5	0	0
Set savings targets that are performance managed?	20	35	20	35	13	23	3	5	1	2
Extend the requirement to publish information on performance and costs to contractors?	2	4	17	30	17	30	20	35	1	2

Base (all respondents in single tier/county councils): 57

Sixty-seven per cent of respondents from district councils said their council ensured rights to data created via procurements remain with their council to a great extent' or 'to a moderate extent', and 63 per cent said their council joined with other councils

and partners to share information that makes prices and performance more open and transparent 'to a great extent' or 'to a moderate extent' (see Table 12).

Table 12: To what extent does your council...										
District councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
Baseline contract spending and outcomes internally over time and use this information to inform contingency planning and re-competition strategies?	3	6	21	40	20	38	7	13	1	2
Join with other councils and partners to share information that makes prices and performance more open and transparent?	5	10	28	54	15	29	4	8	0	0
Ensure rights to data created via procurements remain with the council?	12	23	23	44	9	17	1	2	7	13

Base (all respondents in district councils): 52

Risk and Fraud Management

Having an appropriate approach to risk management is integral to a council's corporate processes. In response to our question on risk and fraud management, 54 per cent of respondents in single tier/county councils said their council included whistleblowing policies as part of contract conditions 'to a great extent' and 47 per cent said their council integrate risk management into procurement processes, 'to a great extent' (see Table 13).

Table 13: To what extent does your council...										
Single tier/county councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
Integrate risk management into procurement processes?	27	47	25	44	5	9	0	0	0	0
Identify and monitor high risk/value contracts through the corporate risk register?	23	40	24	42	7	12	2	4	1	2
Proactively audit contracts to check for fraud?	16	28	23	40	13	23	3	5	2	4
Include whistleblowing policies as part of contract conditions?	31	54	12	21	7	12	4	7	3	5
Require main contractors to mirror whistleblowing policies in their subcontracting arrangements?	13	23	14	25	14	25	10	18	6	11

Base (all respondents in single tier/county councils): 57

District councils were also asked about risk and fraud management. Forty-eight per cent said that their council included whistleblowing policies as part of contract conditions 'to a great extent' while 46 per cent said their council identify risks and the implications of poor procurement through corporate risk processes 'to a great extent' (see Table 14).

District council	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
	Identify risks and the implications of poor procurement through corporate risk processes?	24	46	12	23	13	25	3	6	0
Proactively audit contracts to check for fraud?	15	29	22	42	12	23	1	2	2	4
Include whistleblowing policies as part of contract conditions?	25	48	9	17	12	23	2	4	4	8

Base (all respondents in district councils): 52

Demand Management

By finding alternative ways to meet user needs through Demand management, councils can reduce costs and oversupply within the procurement and commissioning cycle.

Thirty-three per cent of respondents from single tier/county councils said their council involve procurement teams at an early stage in developing alternative ways to meet demand 'to a great extent'.

Single tier/county councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
	Build in a demand management approach before procurement begins?	16	28	27	47	10	18	1	2	3
Ensure procurement and commissioning strategies/processes take account of demand management techniques?	13	23	25	44	14	25	3	5	2	4
Involve procurement teams at an early stage in developing alternative ways to meet demand?	19	33	26	46	12	21	0	0	0	0

Base (all respondents in single tier/county councils): 57

District councils were also asked about demand management and 17 per cent of respondents said their council seeks alternative mechanisms to procure customer needs 'to a great extent'.

Table 16: To what extent does your council...										
District councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
Build in a demand management approach before procurement begins?	8	15	13	25	17	33	9	17	5	10
Seek alternative mechanisms to procure customer needs?	9	17	21	40	16	31	2	4	4	8

Base (all respondents in district councils): 52

Theme 2: Supporting Local Economies

The second theme of the NPS considers how councils can, through good procurement, support local economies. It refers to the need for councils to provide the maximum benefit into their communities from every taxpayer pound that is spent. And, with their economic development role, councils can take responsibility for generating economic, environmental and social growth in local communities.

Economic, Environmental and Social Value

Councils can gain maximum value from procurement through inclusion of economic, environmental and social value criteria in contracts for good/services and works. They can reduce waste by making sustainable choices when procuring products and services - helping them to cut costs, and meet their social, economic and environmental objectives.

Forty-four per cent of respondents in single tier/county councils said their councils ensured an officer social value champion is appointed to provide leadership on issues relating to social value 'to a great extent'. However, another 18 per cent replied 'not at all' to this question (see Table 17).

Single tier/county councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
Ensure an officer social value champion is appointed to provide leadership on issues relating to social value?	25	44	10	18	11	19	10	18	1	2
Ensure social value opportunities are assessed in all tenders?	24	42	26	46	6	11	1	2	0	0
Ensure bidders are requested to demonstrate community benefits through the whole supply chain?	10	18	28	49	14	25	4	7	1	2
Consider and describe how the economic, social and environmental well-being of communities can be improved?	24	42	22	39	10	18	1	2	0	0
Ensure that social value requirements do not cause unintended consequences (e.g. apprentices unable to complete placements as contracts require 'new' places to be created)?	19	33	25	44	6	11	5	9	2	4

Table 17: To what extent does your council...(continued)

Single tier/county councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
Take account of the powers in the EU regulations that encourage use of mutuals, social enterprises and supported factories?	17	30	19	33	20	35	0	0	1	2
Build in sustainability into the whole procurement cycle?	17	30	31	54	8	14	1	2	0	0
Consider ethical issues, including fair pay, zero hours contracts, child labour and animal testing throughout the supply chain?	15	26	23	40	14	25	5	9	0	0

Base (all respondents in single tier/county councils): 57

District councils were also asked about economic, environmental and social value. Forty-four percent of respondents said their council considered how to obtain social value in all contracts over the EU threshold 'to a great extent' (as per the legal requirement). See Table 18.

Table 18: To what extent does your council...

District councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
Consider how to obtain social value in all contracts over the EU threshold?	23	44	14	27	11	21	2	4	2	4
Consider sustainability at the 'identify need' stage of the procurement cycle?	6	12	27	52	17	33	1	2	1	2

Base (all respondents in district councils): 52

Improving access for SMEs and VCSEs

A wide range of suppliers should be encouraged to do business with councils through the use of portals to advertise tender opportunities. Barriers to doing business with the council are removed without compromising due process. SMEs and VCSEs are able to identify potential 'partners' with whom to form consortia to bid for council contracts. Councils identify forward spend wherever possible and use this data to inform pre-market engagement and supplier planning.

Eighty-eight per cent of respondents from single tier/county councils said their council makes it clear how suppliers can bid for council tenders, 81 per cent said their council encourages suppliers to sign-up to regional and national portals as appropriate and 74 per cent identify all procurement opportunities through local or regional portals and national portals where appropriate all 'to a great extent'.

However, only 23 per cent replied 'to a great extent' when asked if their council required prime contractors to report any failure to comply with payment terms and mandate prompt payment to subcontractors through contract clauses at all (see Table 19).

Table 19: To what extent does your council...										
Single tier/county councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
Identify all procurement opportunities through local or regional portals and national portals where appropriate?	42	74	13	23	2	4	0	0	0	0
Encourage suppliers to sign-up to regional and national portals as appropriate?	46	81	9	16	1	2	1	2	0	0
Make it clear how suppliers can bid for council tenders?	50	88	7	12	0	0	0	0	0	0
Measure the amount of 'local' spend to identify and reduce barriers for smaller organisations?	34	60	19	33	2	4	1	2	1	2
Engage with local umbrella bodies such as The Federation of Small Businesses (FSB) to ensure that procurement and engagement strategies do not inadvertently discourage suppliers?	31	54	14	25	10	18	0	0	2	4
Ensure procurement processes are not overly-rigid, cut off from day-to-day service provision or contain disproportionate requirements (e.g. insurance levels)?	36	63	20	35	1	2	0	0	0	0
Require prime contractors to report any failure to comply with payment terms and mandate prompt payment to subcontractors through contract clauses?	13	23	19	33	14	25	6	11	5	9
Use simplified pre-qualification questionnaires (PQQs) such as PAS91 for construction?	39	68	11	19	3	5	2	4	2	4
Engage with the supply base and other councils on a regional basis through hosting market days for future projects?	27	47	18	32	8	14	2	4	2	4

Table 19: To what extent does your council...(continued)

Single tier/county councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
Ensure that lotting strategies do not create unwanted barriers for smaller businesses?	30	53	22	39	5	9	0	0	0	0
Engage in proactive pre-market engagement with the supplier base and through the commissioning process?	28	49	26	46	3	5	0	0	0	0
Allow sufficient time in the procurement process for suppliers to form consortia?	21	37	27	47	7	12	1	2	1	2
Make suppliers aware of trading opportunities and secure their input and expertise?	16	28	32	56	6	11	1	2	2	4

Base (all respondents in single tier/county councils): 57

In terms of district councils, 62 per cent of respondents said their council makes it clear how suppliers can bid for council tenders, 42 per cent mandate prompt payment to subcontractors through contract clauses and the same figure (42 per cent) use single, simplified pre-qualification questionnaires (PQQs) such as PAS91 for construction, all 'to a great extent'. Twenty-one per cent did not engage with the supply base and other councils on a regional basis through market days, at all (see Table 20).

Table 20: To what extent does your council...

District councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
Identify all procurement opportunities over £5,000 through regional portals?	17	33	14	27	15	29	6	12	0	0
Make it clear how suppliers can bid for council tenders?	32	62	15	29	5	10	0	0	0	0
Measure the amount of local spend to identify and reduce the bidding barriers for smaller organisations?	14	27	15	29	14	27	9	17	0	0
Develop or update and publish a 'selling to the council' guide?	21	40	15	29	10	19	5	10	1	2
Mandate prompt payment to subcontractors through contract clauses?	22	42	18	35	4	8	5	10	3	6
Use single, simplified pre-qualification questionnaires (PQQs) such as PAS91 for construction?	22	42	13	25	8	15	6	12	3	6
Engage with the supply base and other councils on a regional basis through market days?	10	19	14	27	14	27	11	21	3	6
Ensure that lotting strategies do not create unwanted barriers for smaller businesses?	14	27	18	35	14	27	3	6	3	6

Base (all respondents in district councils): 52

Theme 3: Demonstrating Leadership

The third theme of the NPS is ‘demonstrating leadership’ and refers to the need for those working in local government procurement to demonstrate leadership to increase its impact and influence across the public sector.

Single Cohesive Voice

Forty per cent of respondents in single tier/county councils said their council engaged with networks to encourage discussion and input into National Advisory Group (NAG) as a national voice and 39 per cent join with professional buying organisations (PBOs) to showcase and share good practice to influence Government and the wider public sector, ‘to a great extent’ (see Table 21).

Single tier/county councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
Engage with networks to encourage discussion and input into National Advisory Group (NAG) as a national voice?	23	40	15	26	13	23	5	9	1	2
Join with professional buying organisations (PBOs) to showcase and share good practice to influence Government and the wider public sector?	22	39	17	30	10	18	8	14	0	0

Base (all respondents in single tier/county councils): 57

Twenty-one per cent of respondents in district councils responding to our question about a single cohesive voice reported that their council engaged with procurement networks to ensure visibility of and input into policy, and 13 per cent said their council joined with professional buying organisations (PBOs) to showcase and share good practice and to influence Government and the wider public sector both ‘to a great extent’ (see Table 22).

Table 22: To what extent does your council...

District councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
Engage with procurement networks to ensure visibility of and input into policy?	11	21	23	44	11	21	5	10	2	4
Join with professional buying organisations (PBOs) to showcase and share good practice and to influence Government and the wider public sector?	7	13	9	17	20	38	15	29	1	2

Base (all respondents in district councils): 52

Commitment from the top

The NPS recommends that there should be a commitment from the top at each council to encourage procurement excellence. Councils should recognise the strategic importance of procurement and how it can help in improving the delivery of public services.

Single tier/county councils recorded largely positive responses to our question about commitment from the top. Sixty-five per cent said that in their council ensuring overall strategic responsibility for procurement rests at Director level and 61 per cent said ensuring the procurement strategy underpins its corporate strategy and wider objectives of the council, both 'to a great extent' (see Table 23).

Table 23: To what extent does your council...

Single tier/county councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
Demonstrate it is committed to using a strategic approach to procurement and delivering outcomes from the NPS?	22	39	23	40	5	9	4	7	3	5
Provide periodic updates to senior managers and elected members on implementation of good practice and its relevance to organisation?	26	46	21	37	9	16	1	2	0	0
Make sure an elected member champion from the executive has procurement, commissioning and contract management as a substantial part of his/her portfolio?	32	56	10	18	11	19	4	7	0	0
Ensure procurement professionals influence all third party spend?	27	47	21	37	8	14	1	2	0	0
Ensure the procurement strategy underpins its corporate strategy and wider objectives of the council?	35	61	15	26	6	11	1	2	0	0
Ensure overall strategic responsibility for procurement rests at Director level?	37	65	12	21	6	11	2	4	0	0

Base (all respondents in single tier/county councils): 57

Respondents in single tier/county council responses were further asked if procurement within their council was aligned with the objectives of certain key personnel (see Table 24). Ninety-two per cent of respondents said procurement was aligned with the objectives of both Finance Directors and S151 Officers, and 80 per cent said the same for Director of Business Transformation (or equivalent).

Table 24: Within your council, is procurement aligned with the objectives of the...

Single tier/county councils	Yes		No		Don't know	
	N	%	N	%	N	%
Finance Director	45	92	4	8	0	0
S151 Officer	45	92	2	4	2	4
Director of Business Transformation (or equivalent)	39	80	8	16	2	4

Base (respondents who said their council ensured '...overall strategic responsibility for procurement rests at Director level' to a great or moderate extent): 49

District councils were also asked about commitment from the top. Forty-two per cent of respondents identified that their council linked the procurement strategy to the corporate strategy 'to a great extent'. See Table 25 for more details.

Table 25: To what extent does your council...

District councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
Periodically update senior managers and elected members on implementation of good practice (set out in the NPS) and its relevance to the organisation?	14	27	16	31	17	33	5	10	0	0
Nominate an elected member champion?	18	35	9	17	5	10	18	35	2	4
Ensure a senior level director takes overall strategic responsibility for procurement and ensures full value is extracted from all procurement decisions?	20	38	19	37	5	10	8	15	0	0
Link the procurement strategy to the corporate strategy?	22	42	13	25	11	21	4	8	2	4

Base (all respondents in district councils): 52

Commissioning

Commissioning allows councils to identify strategic outcomes in relation to assessed user needs, and design and secure appropriate services to deliver these outcomes. This allows councils to better understand and manage demand through the commissioning process and to better target services efficiently and effectively.

Asked about commissioning, 63 per cent of respondents in single tier/county councils said their council ensures that procurement and commissioning staff work together to ensure best outcomes for service users 'to a great extent'. However, only 25 per cent said their council set out a corporate approach to decommissioning services that include objectives, transparency and risk management, 'to a great extent' (see Table 26).

Table 26: To what extent does your council...

Single tier/county councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
Use a strategic commissioning approach to appraise new service delivery models?	22	39	25	44	7	12	0	0	3	5
Ensure that Procurement and Commissioning staff work together to ensure best outcomes for service users?	36	63	18	32	3	5	0	0	0	0
Demonstrate a willingness to move to multi-functional delivery?	24	42	23	40	2	4	1	2	7	12
Set out a corporate approach to decommissioning services that includes clear objectives, transparency and risk management?	14	25	24	42	13	23	0	0	6	11

Base (all respondents in single tier/county councils): 57

Procurement Training

Procurement training allows councils to build better procurement competencies across their organisation by ensuring staff are equipped with the knowledge, training, and practical skills needed to derive maximum benefit from procurement practices.

Forty-seven per cent of single tier/county respondents who answered our question on procurement training said their council invests in officer skills and training in procurement 'to a great extent'. However, only 14 per cent encourage Councillors to engage with procurement and commissioning training being offered through the LGA Leadership Academy, 'to a great extent' (see Table 27).

Table 27: To what extent does your council...										
Single tier/county councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
Invest in officer skills and training in procurement?	27	47	21	37	8	14	1	2	0	0
Invest in a development programme that takes into account the new context and models for good procurement?	18	32	22	39	15	26	2	4	0	0
Encourage Councillors to engage with procurement and commissioning training being offered through the LGA Leadership Academy?	8	14	10	18	15	26	12	21	12	21
Invest in developing commercial skills including costs and profit, the market and service quality, relationship building and renegotiation skills?	16	28	20	35	15	26	5	9	1	2
Cascade training where appropriate across the council and to districts?	20	35	21	37	13	23	3	5	0	0

Base (all respondents in single tier/county councils): 57

District councils were also asked about procurement training. Sixty-two percent of respondents said their council ensures senior officers are involved directly in high value contracts 'to a great extent'. However, only 19 per cent said that they recruit consultants with commercial skills to help with developing a more commercial approach 'to a great extent' (see Table 28).

Table 28: To what extent does your council...										
District councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
'Piggy back' onto training and development programmes of other councils?	13	25	22	42	14	27	3	6	0	0
Ensure senior officers are involved directly in high value contracts?	32	62	18	35	2	4	0	0	0	0
Recruit consultants with commercial skills to help with developing a more commercial approach?	10	19	19	37	18	35	4	8	1	2
Engage with training on new EU Procurement Directives either through other councils or directly?	27	52	16	31	7	13	2	4	0	0

Base (all respondents in district councils): 52

Theme 4: Modernisation

The final theme of the NPS is ‘modernisation’ and refers to the need for local government procurement to modernise in terms of scope, use of technology and practices and procedures.

Commercialisation and Income Generation

In order to modernise, the NPS recommends that procurement staff are more commercially-minded, and that they understand and realise benefits from all funding streams including how contracts can be developed to generate income.

Asked about commercialisation and income generation, 44 per cent of respondents in single tier/county councils said their council develops forward savings and income generation plans ‘to a great extent’. However, only 19 per cent said their council invest in training and developing commercial acumen for new and existing staff ‘to a great extent’ (see Table 29).

Single tier/county councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
Invest in training and developing commercial acumen for new and existing staff?	11	19	24	42	17	30	4	7	1	2
Develop forward savings and income generation plans?	25	44	21	37	9	16	1	2	1	2

Base (all respondents in single tier/county councils): 57

District councils were also asked about commercialisation and income generation. Thirty-seven per cent respondents said their council develops forward savings and income generation plans ‘to a great extent’. However, only 19 per cent said that they invest in training and developing commercial acumen for new and existing staff ‘to a great extent’ (see Table 30).

District councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
Invest in training and developing commercial acumen for new and existing staff?	10	19	19	37	14	27	5	10	4	8
Develop forward savings and income generation plans?	19	37	15	29	14	27	2	4	2	4

Base (all respondents in district councils): 52

Supplier Innovation

Supplier innovation aims to get best value from the market and the best councils are encouraging supplier innovation. Asked about supplier innovation, 37 per cent respondents in single tier/county councils reported that their council uses early market engagement, and sets out well-structured procurement processes, to allow for innovative approaches to be put forward ‘to a great extent’. However, only nine per cent said their council develops and runs innovation workshops with supply base ‘to a great extent’ (see Table 31).

Single tier/county councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
Use early market engagement, and set out well-structured procurement processes, to allow for innovative approaches to be put forward?	21	37	30	53	6	11	0	0	0	0
Harness and proactively encourage supplier innovation?	12	21	39	68	5	9	0	0	1	2
Develop and run innovation workshops with supply base?	5	9	20	35	22	39	7	12	3	5
Ensure terms and conditions are flexible enough to allow for changes in technology during the life of the procurement?	9	16	32	56	12	21	2	4	2	4
Use outcome-based specifications that focus on a statement of the problem that needs to be solved?	14	25	35	61	7	12	0	0	1	2

Base (all respondents in single tier/county councils): 57

Thirty-three per cent of respondents in district councils reported that their council uses outcome-based specifications ‘to a great extent’, however only 12 per cent said their council ensures terms and conditions are flexible enough to allow for changes in technology during the life of the procurement ‘to a great extent’ (see Table 32).

District councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	N	%	N	%	N
Join with partners to engage in supplier market and innovation days?	8	15	14	27	19	37	10	19	1	2
Ensure terms and conditions are flexible enough to allow for changes in technology during the life of the procurement?	6	12	25	48	13	25	2	4	6	12
Use outcome-based specifications?	17	33	22	42	10	19	0	0	3	6

Base (all respondents in district councils): 52

Using Technology

The NPS recommends that councils should be looking to realise the benefits from e-invoicing and should now be encouraging their suppliers to embrace this technology. Asked about using technology, 95 per cent of respondents in single tier/county said their council uses electronic means for tendering processes 'to a great extent'. However, only 18 per cent said their council had made e-invoicing a contractual requirement (see Table 33).

Table 33: To what extent does your council...										
Single tier/county councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
Use electronic means for tendering processes?	54	95	1	2	1	2	1	2	0	0
Work with suppliers to encourage a move to more e-business including e-invoicing?	36	63	14	25	3	5	1	2	3	5
Implement e-invoicing and move quickly to realise benefits of 100 take-up?	18	32	26	46	8	14	2	4	3	5
Set a performance target and report on value and time to pay via e-invoicing?	19	33	15	26	9	16	8	14	6	11
Making e-invoicing a contractual requirement?	10	18	18	32	12	21	16	28	1	2

Base (all respondents in single tier/county councils): 57

In response to our question on using technology 60 per cent of respondents from district councils said that their council used electronic means for tendering processes 'to a great extent', however only four percent made e-invoicing a contractual requirement 'to a great extent' (see Table 34).

Table 34: To what extent does your council...										
District councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	N	%	N	%	N
Use electronic means for tendering processes?	31	60	9	17	11	21	1	2	0	0
Work with suppliers to encourage a move to more e-business including e-invoicing?	12	23	21	40	11	21	6	12	2	4
Make e-invoicing a contractual requirement?	2	4	10	19	13	25	24	46	3	6

Base (all respondents in district councils): 52

EU Directives

The NPS makes reference to EU Procurement directives, and the possibility of council procurement process being made quicker, simpler and less costly to run through use of the new directives.

Responses from single tier/county authorities to our questions on EU Directives were particularly positive regarding understanding the implications of the Public Contracts Regulations 2015, with 91 per cent saying that their council did this ‘to a great extent’ (see Table 35).

Table 35: To what extent does your council...										
Single tier/county councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	%	N	%	N	%
Understand the implications of the Public Contracts Regulations 2015?	52	91	5	9	0	0	0	0	0	0
Cascade training to council officers and elected members outside of the ‘procurement team’?	32	56	20	35	4	7	1	2	0	0
Maximise the flexibilities afforded in the new EU Directives?	31	54	22	39	3	5	0	0	1	2

Base (all respondents in single tier/county councils): 57

Thirty-eight per cent respondents in district councils said their council cascades training on Public Contracts Regulations to council officers and elected members outside of the ‘procurement team’ ‘to a great extent’ while only 19 per cent maximise the flexibilities afforded in the EU directives ‘to a great extent’ (see Table 36).

Table 36: To what extent does your council...										
EU Directives district councils	To a great extent		To a moderate extent		To a small extent		Not at all		Don't know	
	N	%	N	%	N	N	%	N	%	N
Cascade training on Public Contracts Regulations 2015 to council officers and elected members outside of the ‘procurement team’?	20	38	16	31	10	19	5	10	1	2
Maximise the flexibilities afforded in the new EU Directives?	10	19	23	44	12	23	2	4	5	10

Base (all respondents in district councils): 52

Savings and Other Benefits

To capture a snapshot of any money saved, or any other community benefits, that councils have achieved by applying the ideas and recommendations outlined in the NPS, we asked respondents to tell us the extent to the Strategy had helped their council. Details of spending and savings are shown in Table 37 (please note, the results are based on a small number of respondents).

Table 37: Please provide the following information, as appropriate for your council, for the period 1 April 2014 to 31 March 2015					
		Approx. value of third party capital spend for 2014/15 £000	Approx. value of third party revenue spend for 2014/15 £000	No. FTEs who have some responsibility for procurement in 2014/15	Council's procurement savings target for 2014/15 (Net) £000
Single tier & county councils	Minimum	1,000	7,000	3	0
	Average	371,561	625,141	23	4,838
	Maximum	7,212,482	14,306,860	80	51,000
	Total	10,775,257	22,505,064	1007	145,140
	No of councils	29	36	44	30
District councils	Minimum	1,000	3,540	0	0
	Average	11,961	22,794	3	261
	Maximum	80,000	170,000	26	2,200
	Total	263,149	524,269	125	6,519
	No of councils	22	23	37	25

Base (all respondents): 22-44 councils depending on question

Additionally, we asked respondents if their council had made savings, or achieved any other community benefits, by applying the good practice outlined in the NPS (see Table 38). Respondents who indicated that made savings or benefits had been achieved were asked to provide more details which are shown in Annex B (please note these replies are based on a small number of respondents).

Table 38: Has your council made savings, or achieved any other community benefits, by applying the good practice outlined in the NPS, in any of the following areas (for the period 2014/15)?

	Single tier/county councils						District councils					
	Yes		No		Don't know		Yes		No		Don't know	
	N	%	N	%	N	%	N	%	N	%	N	%
Category management	29	53	2	4	24	44	7	13	25	48	20	38
Partnering & collaboration	29	53	4	7	22	40	25	48	6	12	21	40
Contract & supplier information	14	25	10	18	31	56	14	27	15	29	23	44
Performance & transparency	13	24	11	20	31	56	14	27	14	27	24	46
Risk and fraud management	6	11	14	26	34	63	10	19	19	37	23	44
Demand management	21	39	8	15	25	46	2	4	24	46	26	50
Commercialisation & income generation	27	50	4	7	23	43	15	29	11	21	26	50
Supplier innovation	15	27	10	18	30	55	5	10	24	46	23	44
Using technology	23	42	6	11	26	47	16	31	15	29	21	40
EU Directives	18	33	6	11	30	56	12	23	16	31	24	46

Base (all respondent): 109

Annex A: New models of delivering procurement services

Table 39: Which new models of delivering procurement services are being used?
"We are piloting e-auctions within the authority. We are piloting use of DPS for bus contracts."
"Outsourced Trading."
"Shared Services with <name of group>. Commercial income generation through trading procurement services."
"Establishment of framework agreements. Category management approach Establishment of DPS and DPS / Framework hybrids. Shared services provisions with other local CAs."
"Sharing resources with neighbours."
"Joint Commissioning with other LAs and Health Use of the Light Touch Regime."
"Full category management across ALL council spend. Collaboration with partner councils which is now developing into a formal shared relationship – using <name of council> award winning concepts."
"Using new procedures within the Regulations. Taking advantage of the new light touch regime. New service delivery models, council companies, reserve contracts."
"EProcurement Category management."
"Collaboration with other organisations centralising procurement function."
"Each procurement is considered on a case-by-case basis and strategies developed to see how these can be best procured. Limited opportunities exist for sharing across authority boundaries as the implications of being off-shore of the mainland UK mean that service delivery often needs to be tailored to the needs and realities of working on <name of council>."
"Aggregated construction procurement outsourced procurement gain share joint venture."
"Trading Company for Housing Selling services to other Local Authorities Joint ventures In-house / Outsource hybrid models."
"The Procurement Service is currently undertaking an analysis of new models of delivering procurement services as part of its contribution towards delivering the Council's Medium Term Financial Strategy."
"E Auctions DPS Gateway Process."
"The council has a track record of looking at shared service solutions, e.g. ICT service shared with <name of council>, the introduction of the <sub-region> Legal Partnership <name of councils> and the HR shared service."
"Procurement is aligned and integrated with commissioners. We are moving towards Outcomes Based Budgeting which will mean some change to the service albeit still as commissioners."
"We are looking to combine with another authority and have been strengthening the Category Management approach and the core skills for Category Management."
"Currently considering entering into shared service with another authority."
"Exploring options to join with other local authorities to deliver a shared procurement service, leveraging spend, talent and systems across them all."
21. Collaboration across sub-region <name of partnership> through Member-level commitment and officer working groups 2. Exploring collaboration and options for shared services with another <name of region> borough 3. Collaboration with other local authorities / public sector bodies on

projects as appropriate <local examples given>.”
“Use of DPS solutions, use of new procedures e.g. Competitive with Negotiated; greater integration of procurement function with commissioning and transformation teams, continued development of shared procurement service.”
“Working with regional partners, accessing established frameworks, working with combined authorities.”
“The Council operates in a devolved environment from a procurement perspective with Contracts managed at local level for certain requirement with a corporate team for managing other appropriate contracts. The Council collaborates with neighbouring authorities and also utilises framework arrangements on a national and regional level as appropriate.”
“Shared service with other local authority and partners.”
“Experimenting with payment by results and outcome-based social care procurement Partnering contracts.”
“We have a unique approach to commissioning and procurement that ensures that a range of new delivery models are considered for all services and not just procurement. We also use a mix of PBO contracts and our own tendering processes.”
“Category Management Outsourcing.”
“Regional collaborative procurement activity is considered for a programme of contract and framework opportunities in the market. This is achieved via a Hub and Spoke model where NEPO lead on Hub activity and its local authority members lead on spoke procurements. Work closely with other contracting authorities in the region to improve procurement practices and always undertake an options appraisal to scope tender opportunities to determine the most efficient and effective route to market e.g. open frameworks to use from Crown Commercial Services, ESPO.”
“Frameworks, Joint Procurement, Collaborative spend etc.”
“Collaboration, shared resource with CCG, other local authorities across <name of region>.”
“We operate a shared service with 2 neighbouring authorities.”
“Our Procurement team is now part of a shared service (LGSS) that delivers procurement services to <name of councils> and a number of other public bodies in the two counties.”
“Collaborative arrangements across the public sector <examples given>; Joint arrangements with other LAs <examples given>; Outsourced procurement operations function with the private sector.
“The primary one is to maximise collaborative procurement opportunities with partner organisations, where appropriate.”
“A new commissioning support unit created - following a ‘invest to save’ business case.”

Annex B: Savings and Other Community Benefits

Respondents who answered 'yes' when asked if their council had made savings, or achieved any other community benefits, by applying the good practice outlined in the NPS (for the period 2014/15) were asked to give further details. A total of 26 respondents provided at least one figure. Table 40 details the figures provided by respondents in single tier/county councils alongside those from district councils, and Table 41 gives combined figures. Table 42 details benefits other than direct financial savings.

Table 40: Please give details of the estimated savings achieved by applying the good practice outlined in the NPS (Net savings for 2014/15)										
	Single tier/county councils					District councils				
	MIN	AV	MAX	SUM	No of councils	MIN	AV	MAX	SUM	No of councils
	£	£	£	£		£	£	£	£	
Category management	-	1,917,000	8,000,000	26,841,844	14	-	129,500	259,000	259,000	2
Partnering and collaboration	50,000	808,000	2,000,000	4,850,000	6	-	84,545	500,000	930,000	11
Contract and supplier information	200,000	600,000	1,000,000	1,800,000	3	-	51,400	250,000	257,000	5
Performance and transparency	400,000	800,000	1,200,000	1,600,000	2	-	-	-	-	4
Risk and fraud management	No data	No data	No data	No data	0	-	166,667	500,000	500,000	3
Demand management	10,000	1,107,000	4,000,000	5,537,000	5	100,000	100,000	100,000	100,000	1
Commercialisation and income generation	40,000	237,000	500,000	1,658,000	7	-	138,417	600,000	830,500	6
Supplier innovation	No data	No data	No data	No data	0	-	-	-	-	1
Using technology	50,000	125,000	200,000	500,000	4	-	50,000	250,000	250,000	5
EU Directives	50,000	50,000	50,000	50,000	1	-	12,000	50,000	60,000	5
TOTAL	800,000	5,644,865	16,950,000	42,836,844	14	100,000	732,529	2,509,000	3,186,500	12

Base (respondents who replied 'yes' when asked 'has your council made savings, or achieved any other community benefits, by applying the good practice outlined in the NPS): 0-14 depending on question item

Table 41: Please give details of the estimated savings achieved by applying the good practice outlined in the NPS (Net savings for 2014/15)

	Combined response				No of councils
	MIN	AV	MAX	SUM	
	£	£	£	£	
Category management	-	1,693,803	8,000,000	27,100,844	16
Partnering and collaboration	-	340,000	2,000,000	5,780,000	17
Contract and supplier information	-	257,125	1,000,000	2,057,000	8
Performance and transparency	-	266,667	1,200,000	1,600,000	6
Risk and fraud management	-	166,667	500,000	500,000	3
Demand management	10,000	939,500	4,000,000	5,637,000	6
Commercialisation and income generation	-	191,423	600,000	2,488,500	13
Supplier innovation	-	-	-	-	1
Using technology	-	83,333	250,000	750,000	9
EU Directives	-	18,333	50,000	110,000	6
GRAND TOTAL	10,000	3,956,851	17,600,000	46,023,344	26

Base (respondents who replied 'yes' when asked 'has your council made savings, or achieved any other community benefits, by applying the good practice outlined in the NPS): 1-17 depending on question item (a total of 26 councils gave one or more figure)

Table 42: Please give details of any community benefits achieved by applying the good practice outlined in the NPS (Net savings for 2014/15)

Category management	
Single tier & county councils	"Domestic care. Residential care."
	"Education, training and skills, work experience placements, school visits, environmental."
	"Apprenticeships, local employment opportunities."
	"Better understanding of the supplier market. Aggregation of demand across the council."
	"Ensured that Social Value is a component part of our commissioning process through our Social value panel with recommendations included in actual contracts."
	"Category management has been used in the Council since 2008/9 achieving over £10m savings to the Council. The principals and tools used for Category Management continue to secure efficiencies and maximise benefits in procurement. Our operational procedures are constantly reviewed and updated for continuous improvement."
District councils	"Supports the increase in local apprenticeships. Supports the increase in work placements. Supports the use of local trades and sub-contractors."
	"Savings in cost and time by using frameworks."

Table 42: Please give details of any community benefits achieved by applying the good practice outlined in the NPS (Net savings for 2014/15)...Continued

Partnering and collaboration	
Single tier & county councils	“Highways.”
	“Community development fund established through regional construction frameworks.”
	“Council reputation SME/VCO engagement.”
	“Relocation of offices into Borough, bringing over 200 jobs into the town Financial support for apprenticeship opportunities.”
	“Collaborating with neighbouring local authorities to aggregate demand. Having an agreed approach to local value across local public sector.”
	“NEPO portfolio of solutions considered for each procurement and savings achieved but reported within overall procurement savings.”
District councils	“Working with other districts and county council.”
	“Greater spend with local suppliers.”
	“The Council provides a procurement hub service to local authorities and seeks to identify opportunities for collaboration.”
	“Networking and capacity building.”
	“Resilience and economies.”
	“Savings in cost and time by working with other authorities.”
Contract and supplier information	
Single tier & county councils	“Renegotiation of contracts.”
District councils	“On contract register and complies with transparency code.”
	“Increased number of SME's, better local participation.”
	“Reduction in contract specification.”
	“For particular contracts the Council has contract boards which currently receive information about a contracts performance.”
Performance and transparency	
Single tier & county councils	“More access to SMEs and new suppliers.”
District councils	“Have commissioning framework and as above.”
	“Greater Knowledge from suppliers.”
	“The Council meets its obligations to public data on its contracts register, spend over £500 and p-card data. Contracts have clauses which ensure resulting data from a contract rests with the Council.”
	“Increased likelihood of local and SME involvement by improving the Selling to the Council Pages and advertising more low value opportunities.”

Table 42: Please give details of any community benefits achieved by applying the good practice outlined in the NPS (Net savings for 2014/15)...Continued

Risk and fraud management	
Single tier & county councils	No replies.
District councils	"Apply S57 of PCR and refer to the bribery act in all tender docs."
	"Greater awareness of staff in terms of things to look for."
	"The Council has a central resource which governs and sets the tone for procurement within the organisation but procurement below £100k is devolved. The Council has a successful Fraud & Investigation team and conducts audits on contracts in accordance with our audit plan. Procedures are in place regarding whistleblowing."
Demand management	
Single tier & county councils	"Domestic care residential care."
	"Closing the loop on non-compliant purchasing and managing in particular demand for temp labour, contractors and consultancy in a more strategic fashion has resulted in savings to be re-invested in front line services."
District councils	"Commercial acumen."
Commercialisation and income generation	
Single tier & county councils	"Energy company."
	"Improved income for the authorities' own Supplies division from external sales and collaboration with others."
	"Council reputation Professional development Job retention/creation."
	"Opportunities for small businesses, entrepreneurs and Social Enterprises to run our community cafes throughout the City be our market engagement process."
	"Creation of Council owned Recruitment Agency."
	"Management rebates included where appropriate in regional procurement activity attracting annual income. Alternative Service Delivery Models are considered for relevant areas including Joint Ventures and alternative partnering arrangements."
District councils	"Lots to learn not a natural role for many officers."
	"As stated above, we bring in income through selling our services to procurement hub members."
Supplier innovation	
Single tier & county councils	"Improved focus on community outcomes."
District councils	"Engage with economic operators prior to a procurement process plus spec and T&Cs encourage innovation."
	"Where appropriate the Council engages with the market when developing procurement strategies prior to commencing a procurement. We have used PIN notices to encourage the market to engage with us."
	"New approaches to solution delivery."

Table 42: Please give details of any community benefits achieved by applying the good practice outlined in the NPS (Net savings for 2014/15)...Continued

Using technology	
Single tier & county councils	"SME/VCO engagement."
	"Wider availability of tendering opportunities to SMEs."
	"Implemented an E-Tendering solution that manages all aspects of buying and tendering online, cutting our time consuming manual processes and paper usage. E-Invoicing will continue to grow and ensure our commitment to pay SMEs in 10 days and all suppliers in 30 days are met."
	"Reduced costs of P2P through new ERP system and e-invoicing being mandatory."
	"Two portals are used to conduct quotation and tender procurement activity, various reporting tools used in category management to maximise social value opportunities and plan aggregated contracts."
District councils	"E-procurement and e-invoicing, use of tablet computers."
	"Our savings are achieved by a combination of the elements and cannot be allocated to one particular element."
	"Deployed a lot but now need to change Hearst and minds to exploit it."
	"The Council subscribes to a regional procurement portal and our constitution mandates its use for all procurements valued in excess of £5k."
	"Use of e-tendering solutions reducing time and cost for the Authority and applicants."
EU Directives	
Single tier & county councils	"SME/VCO engagement."
	"Local supplier report produced annually and the council is committed to a supplier charter to apply good practice and maximise social value. Thresholds and procedures set out in regulation enable this approach."
District councils	"Always apply the principles regardless of thresholds."
	"None really changes have not gone far enough."
	"The authority fully abides by the EU Directives."
	"Compliance and transparency."
	"Use of standard PQQ Questions."

Base (If answered 'yes' when asked 'has your council made savings, or achieved any other community benefits, by applying the good practice outlined in the NPS, in any of the following areas (for the period 2014/15)?': 8 single tier/county councils and 8 district councils



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