

Cabinet

23 September 2025

Procurement Strategy 2025-2030

Portfolio Holder: Councillor Vince Maple, Leader of the Council

Report from: Bhupinder Gill Assistant Director for Legal and Governance

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Summary

This report seeks to introduce and approve the establishment of the 2025-2030 Procurement Strategy.

The report was considered by the Business Support and Digital Overview and Scrutiny Committee on 21 August 2025 and the minutes of this are set out in section 7 of this report.

1. Recommendations

- 1.1. The Cabinet is requested to note the comments of the Business Support and Digital Overview and Scrutiny Committee, as set out in section 7 of the report.
- 1.2. The Cabinet is recommended to approve the establishment of the 2025-2030 Procurement Strategy, as set out at Appendix 1 to the report.
- 1.3. The Cabinet is recommended to agree to annual reporting of the deliverables to the Business Support and Digital Overview and Scrutiny Committee.

2. Suggested reasons for decisions

- 2.1. The proposed procurement strategy aligns to both internal ambitions and the national procurement statement. This will allow the organisation to measure and track progress in key areas of procurement.

3. Budget and policy framework

- 3.1. Procurement is a Cabinet function. Subject to approval the attainment of 'best value', as detailed within the strategy, will support the delivery of not only financial, but also quality and social benefits to all council contracts.

4. Background

- 4.1. Medway Council's 2021-2025 Procurement Strategy was last reviewed at Business Support and Digital Overview and Scrutiny Committee on 27 March 2025. Based on success to date and the strategy coming to a natural end, the report sought to close that iteration and for a new strategy to be brought forward in late 2025.
- 4.2. On 24 February 2025 the Procurement Regulations 2024 (PR24) went live, replacing the Public Contracts Regulations 2015. Alongside this the Cabinet Office published a National Procurement Policy Statement (NPPS), which sets out the UK government's strategic priorities for public procurement and how contracting authorities should align with them. Practically, the PR24 and NPPS are interwoven and provide a level of consistency in terms of our regulative compliance as well as strategic deliverables.
- 4.3. The NPPS as well as a localised definition of 'best value' sit at the heart of the 2025-2030 Procurement Strategy and the objectives set within seek to deliver the national procurement objectives in a way suited to Medway Council.
- 4.4. The proposed 2025-2030 Procurement Strategy can be found as Appendix A.

5. Options

- 5.1. An effective procurement strategy is an important document for any proactive organisation wishing to strategically utilise their buying power and drive economic benefit.
- 5.2. As the previous strategy has come to a natural end and not having a strategy is not an option, the options revolve around the core of the new strategy.
 - 5.2.1. Option 1 – strategy with local objectives only.
 - 5.2.1.1. Establishing a procurement strategy which takes into consideration local/micro considerations only may prove beneficial short-term but runs a high risk of stifling improvement longer-term as it only looks at the needs of Medway Council in isolation, rather than the wider needs of public sector procurement. This option also fails to consider the change in landscape regarding local government reorganisation as well as the fact that a local set of objectives was the approach taken for the 2018-2021 strategy, which was criticised for its failure to address wider implications.
 - 5.2.2. Option 2 – strategy based on the National Procurement Strategy
 - 5.2.2.1. The National Procurement Strategy (NPS) was the foundation of the previous strategy. Whilst it was effective, it was formed of 59 objectives with some overlap between outcomes, which made it difficult and resource intensive to monitor and report on. Having so many objectives also, in some instances, diluted success and/or resulted in duplication as many objectives resulted in a single outcome.

5.2.2.2. The most recent version of the NPS, which has historically been on a 4-year cycle, was published in 2022, meaning the objectives already run the risk of being outdated and do not align with the new procurement regulations. To compound this, there's no indication that a 2026 version will be published, indicating a step-change from this approach nationally.

5.2.3. Option 3 – strategy based on the National Procurement Policy Statement

5.2.3.1. The National Procurement Policy Statement (NPPS) sits alongside the new procurement regulations and sets out the UK government's strategic priorities for public procurement and how contracting authorities should align with them. As an organisation we are required to align with these, and they closely align to most of the local objectives we have already set ourselves. The NPPS is formed of fewer objectives, yet those within are more tangible in both tracking progress and demonstrable benefits to Medway.

6. Advice and analysis

6.1. Based on the above options appraisal, it is proposed that option 3, establishing a procurement strategy based on the National Procurement Policy Statement (NPPS) is approved.

6.2. It was discussed and agreed at Business Support and Digital and Support Overview and Scrutiny Committee that a greater emphasis was to be applied to the use of local suppliers (please refer to paragraph 7.3.3 below). This has been included within the objectives of the strategy.

7. Business Support and Digital Overview and Scrutiny Committee

7.1. The report was previously considered by the above Committee on 21 August 2025 and the draft minutes of this discussion are set out below.

7.2. The Head of Category Management introduced the report. The proposals placed an emphasis on delivering the best value for the Council with focusing on innovation and bespoke strategy on a project-to-project basis.

7.3. The following issues were discussed:

7.3.1. **Risks to the Council** – in response to a question how the Council minimised risk the Head of Category Management stated that the service undertook pre-emptive work to minimise the risk to the Council and good contract management ensured the project remained fit for purpose. He stated that no action against the Council had taken place during his time at the Council.

7.3.2. **Review of Progress** – it was asked how progress would be monitored. In response the Head of Category Management stated that an annual report outlining progress against the strategy would be considered by the Committee.

- 7.3.3. **Local businesses** – The Committee discussed how the Procurement Strategy could promote local business, employment in Medway and apprenticeships. The Head of Category Management stated that the Council would promote positive links with local businesses. Social value was an important consideration in procurement, and this included employment in the area and apprenticeships. However, in making decisions the Council needed to consider social value against the cost of a scheme and the service was keen to measure this effectively. The Head of Category Management undertook to consider how the strategy could prioritise local suppliers whilst considering projects on a case-by-case basis.
- 7.3.4. It was asked how the Council could avoid reinforcing any bias and power structures already in place through its social value criteria. The Head of Category Management stated that each scheme would be reviewed on a project-by-project basis to ensure it was tailored to meet the needs of the Council and in this way would ensure that decision making did not reinforce current structures.
- 7.3.5. **Small and Medium Enterprises (SMEs)** – It was asked how the Council could help promote SMEs, the Head of Category Management stated that the Council held discussions with small businesses about the barriers to market and discussed the Council's needs with them, prior to schemes going to tender.
- 7.3.6. **Resources** – in response to a question whether the service had the resources it needed to fulfil the proposed strategy, the Head of Category Management stated that the service was adequately resourced and was undertaking artificial intelligence (AI) and other training to improve the service. In addition the service had held some early discussions with Medway 2.0 to look at opportunities related to digital transformation.
- 7.3.7. **Suppliers** – in response to a question whether the Council could ensure that sustainable and ethical standards were in place across the supply chain, the Head of Category Management stated that the Council had outlined the criteria for a good supplier and undertook to share this with the Committee. The Council undertook a collaborative approach to ensuring goals such as lower emissions were met.
- 7.4. The Committee made the following decisions:
- 7.4.1. The Committee noted the 2025-2030 Procurement Strategy and provided its comments to Cabinet.
- 7.4.2. The Committee supported the proposal of annual reporting of the deliverables.

8. Risk management

| Risk | Description | Action to avoid or mitigate risk | Risk rating |
|--------------|--|--|-------------|
| Reputational | Not having a fit for purpose procurement strategy. | Approving the procurement strategy as proposed. | CIII |
| Reputational | Inability to scrutinise collective procurement decisions. | Approving the procurement strategy as proposed and agreeing annual reporting on progress. | CIII |
| Financial | Failure to achieve value for money. | Ensuring the approved procurement strategy enables officers to apply a corporately agreed emphasis to achieving value for money. | CII |
| Social | Inability to provide local benefit through our buying power. | Approving the strategy as proposed which emphasises the delivery of local benefits. | CIII |

For risk rating, please refer to the following table:

| Likelihood | Impact: |
|-------------------|----------------|
| A Very likely | I Catastrophic |
| B Likely | II Major |
| C Unlikely | III Moderate |
| D Rare | IV Minor |

9. Consultation

- 9.1. The Head of Category Management has consulted with various officers within the organisation and obtained agreement from both Procurement Board and the Corporate Management Team (CMT) prior to this juncture. It's important to note that the proposed strategy is based on the NPPS, which supports the delivery of the procurement regulations, and the statement public bodies must align with.

10. Climate change implications

- 11.1. The proposed strategy has a clear focus on delivering social value, within which climate change is addressed. Due to the breadth of services delivered through the Council, this is currently unquantifiable but will be reported on annually.

11. Financial implications

- 11.1. The Council's procurement strategy supports the Council's attainment of value for money but there are no direct financial implications associated with this decision.
- 11.2. Financial commitments made after the adoption of the procurement strategy will continue to be subject to internal governance on an individual basis.

12. Legal implications

- 12.1. There is no legal requirement to have a procurement strategy, however having one allows the organisation to maintain focus on outcomes when considering third-party spend.
- 12.2. Having a procurement strategy aligned to the NPPS and based on delivering best value, as proposed, is pragmatic.

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Appendices

Appendix 1 – Procurement Strategy 2025-2030

Background papers

None