PROCUREMENT STRATEGY 2024-2026

Year 2 - mid-year delivery progress update

PLYMOUTH CITY COUNCIL

1. SUMMARY

The purpose of this paper is to present to the Corporate Management Team the mid-year progress the Council has made in delivering year two of its Procurement Strategy 2024-2026.

2. BACKGROUND

The Council published its first Procurement Strategy for the period 2024-2026 in July 2024 to ensure that the Council's priorities were formally recognised within its approach to procurement and set out organisational expectations in relation to the delivery of these priorities including measures of success.

The strategy was set for an initial two-period period in recognition of the significant procurement-related legislative changes which were due to take place during this period and to enable alignment with the Local Government Association's National Procurement Strategy for Local Government in England due to be updated in 2026.

The Council submitted its first annual procurement strategy report to Audit and Governance Committee in July 2025, receiving commendation on the progress made.

3. CONTEXT

The Council is responsible for delivering more than three hundred local services and spends on average £350 million per annum with external suppliers in the fulfilment of this duty. These external suppliers are contracted through procurement and commissioning activity (collectively hereafter termed 'procurement'), and this strategy sets out the Council's approach for ensuring that these contracts meet the needs and expectations of the City and secure the best possible deal for Plymouth.

Procurement applies to a wide range of goods, services and works and is concerned with the whole contract lifecycle from identification of a business need through to contract demobilisation.

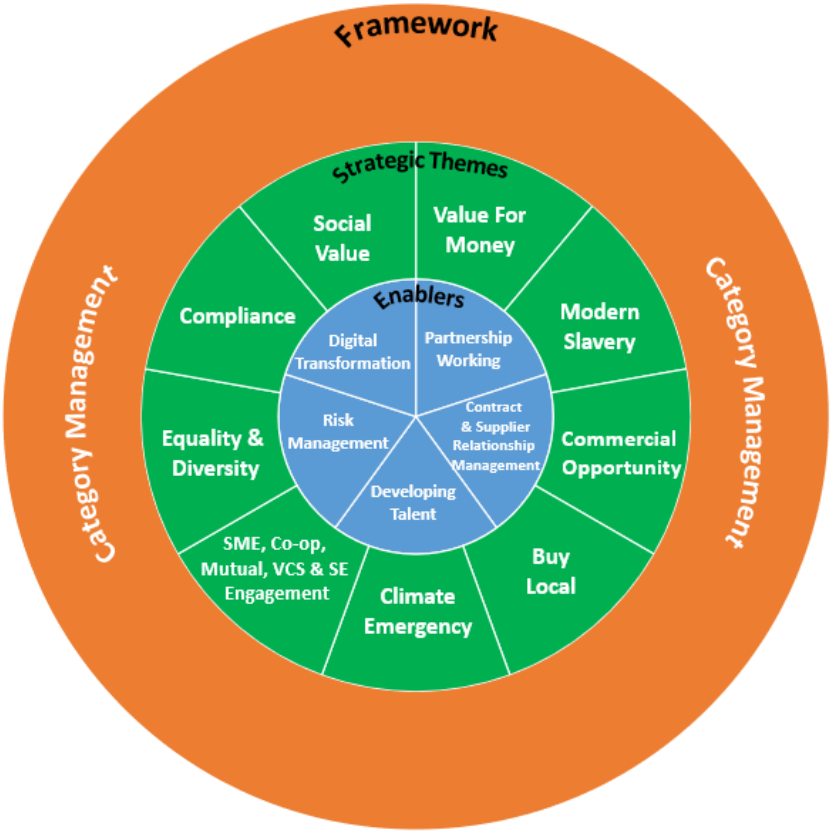
It is a highly regulated activity, governed principally by the Procurement Act 2023 which places considerable statutory duties on the Council in relation to securing value for money and maximising public benefit and adhering to principles such as, transparency, equal treatment, non-discrimination, integrity and proportionality.

National priorities must also be considered as set out in central government's National Procurement Policy Statement and the Local Government Association's National Procurement Strategy for Local Government in England such as generating local social value, supporting small and medium-sized enterprises and behaving commercially.

As well as local priorities as set out in the Plymouth Plan and the Council's Corporate Plan, Net Zero Action Plan, Equality and Diversity Action Plan and Modern Slavery Policy.

To meet these obligations and deliver these priorities the Council developed a strategy visualised in the graphic shown over.

"Our vision is to be a leader in local authority procurement where the value created through our procurement activity is maximised for the benefit of Plymouth's economy, community and environment and secured in a way which is open, fair, responsible and encourages co-operation and collective growth'



4. PROGRESS

The Council has continued to make positive progress in delivering against the commitments it made in the Procurement Strategy during the first six months of year two delivery.

The update against these commitments is set out below, presented by both 'Strategic Themes' delivery and actions against the 'Enablers' and 'Framework' as set out in the original strategy.

Actions have been 'RAG rated' as follows:

- Business as usual activities are white
- Actions completed in year 1 are grey
- Actions completed/closed in year 2 are blue
- In progress/ ongoing actions are green
- Delayed actions are amber
- Actions which are not currently progressing are red
- Programmed actions/ due to begin at a later date are purple

All actions are owned by the Head of Procurement and delivered with the support of departments across the Council as well as key local partners such as the University of Plymouth, University Hospitals Plymouth NHS Trust, and Babcock.

5. STRATEGIC THEMES

Value for Money

The Council is committed to putting value for money at the forefront of its procurement activities which means procuring in a way that will secure the optimum balance of price, quality, and social value. Factors to be considered when determining the optimum balance include- the subject matter, scope, frequency, estimated value, and delivery timescales of the requirement, the level of market interest, process complexity, legal compliance, resource demands and the other strategic objectives.

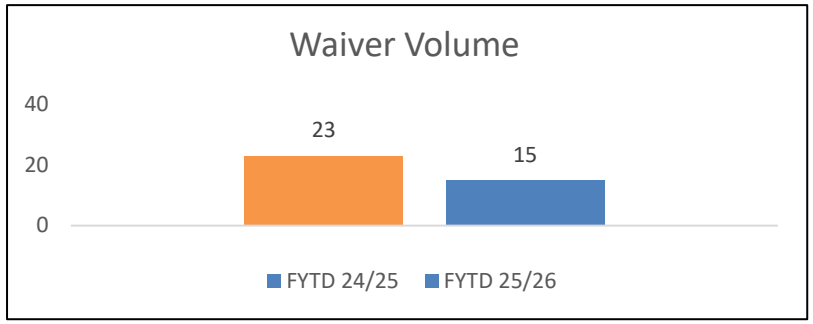
Ref.	Commitment	Description of Action	Target Completion	Feb 26 Update
VFM1	Setting corporate procurement rules and procedures which are designed to deliver value for money as standard,	Refresh Contract Standing Orders (CSOs) to ensure processes reflect up-to-date definition of value for money	Year 1- Q2	Complete
VFM2	Where appropriate, undertaking procurement options appraisals to identify the route to market which will deliver best value on a requirement-by-requirement basis,	Refresh CSOs to strengthen this requirement	Year 1- Q2	Complete
VFM3	Considering the whole lifecycle cost of a product, service or works when undertaking a procurement activity,	Refresh CSOs to make this approach explicit	Year 1- Q2	Complete
VFM4	Holding the default position that the running of a competitive multi-supplier process will deliver best value for money and should be pursued wherever possible,	Refresh CSOs to make this approach explicit	Year 1- Q2	Complete
VFM5	Requiring robust justification where a direct award strategy is pursued.	Refresh CSOs to make this approach explicit	Year 1- Q2	Complete

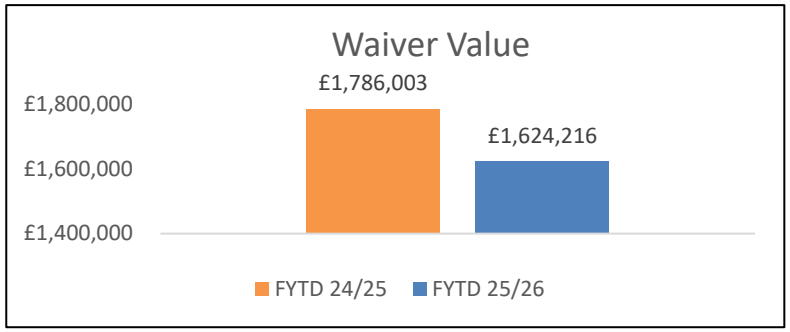
Measures of Success:

Waivers

15 waivers to Council procurement rules and procedures were approved during FYTD totalling **£1,624,216** with an average value of **£108,281**. These waivers were authorised in accordance with Contract Standing Orders on the grounds of breach or conflict of statutory duty; legal hearings, planning appeals and public examinations; reputational implications; personal welfare of service users or limited market.

Comparison to strategy year1 mid-year progress indicates a positive reduction in volume and value of waivers:

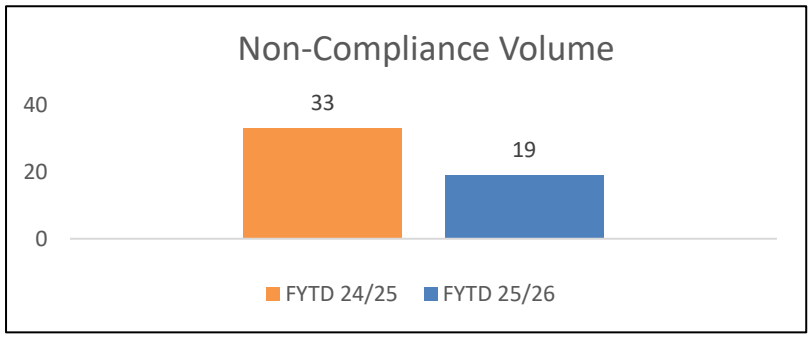


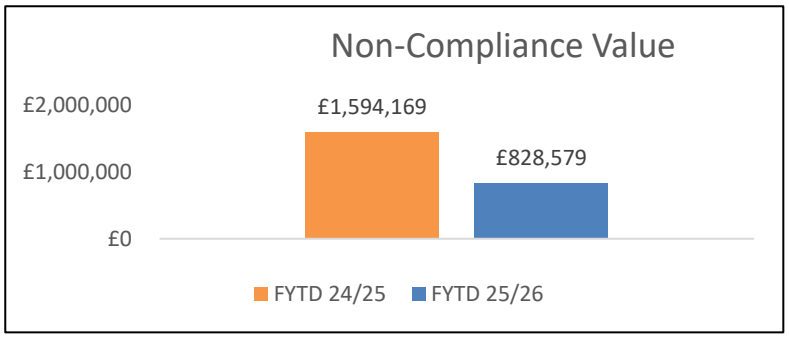


Non-Compliance

19 instances of non-compliance with Council procurement rules and procedures were logged[1] during FYTD totalling **£828,579** equating to **0.2%** of the Council's total spend FYTD. In the context of 'Value for Money' the primary concern is ensuring officers seek the correct minimum number of quotations; the average value per instance of non-compliance was **£43,500** which under Contract Standing Orders requires a minimum of two quotations.

Comparison to strategy year 1 mid-year progress indicates a positive reduction in volume and value of logged non-compliance:





A breakdown of waivers and non-compliances is contained within Appendix A.

[1] *Instances of non-compliance captured by the Procurement teams only, does not include instance of unknown non-compliance such as via systems which bypass these teams.*

Commercial Opportunity

The Council will consider opportunities to be commercial when undertaking procurement activity to ensure the delivery of public services is sustainable.

Ref.	Commitment	Description of Action	Target Completion	Feb 26 Update
CO1	Gathering market intelligence to ensure procurement opportunities are specified in a way which is commercially attractive to suppliers,	Refresh CSO to strengthen the importance of pre-procurement market engagement	Year 1- Q2	Complete
CO2	Maximising commercial attractiveness by aggregating requirements where appropriate,	_	_	BAU
CO3	Developing sourcing strategies that are appropriate and proportionate for a given requirement to ensure suppliers remain interested and engaged,	Refresh CSO to emphasise the need to consider the nature and value of a requirement when defining best value for money and correspondingly enable flexibility in process selection	Year 1- Q2	Complete
CO4	Focusing on output-based/ performance specifications to give suppliers the opportunity to offer innovative and added-value solutions,	_	_	BAU
CO5	Income generating/ cost recovery through delivering procurement services for the Council's family of companies.	Roll out procurement self-service to free up the capacity of the Procurement teams to enable the selling of services	Year 1- Q4	Complete

Measures of Success:

Arrangements with external suppliers are in place for both statutory and discretionary public services and continue to be delivered to a sufficient standard.

Social Value

The Council will look to maximise the benefit of its spending for the local economy, community and environment beyond the basic cost and quality of a contract which is known as 'Social Value.' Examples of social value include- tackling climate change, promoting local skills and employment, and supporting healthier and safer communities.

Ref.	Commitment	Description of Action	Target Completion	Feb 26 Update
SV1	Embedding social value into the Council's standard rules and procedures	Refresh CSO and associated processes and templates to ensure the importance of social value is emphasised	Year 1- Q2	Complete
SV2	Procuring in accordance with the Council's Social Value policy	Refresh CSO and associated processes and templates to capture instances of non-compliance with policy	Year 1- Q2	Complete
SV3	Including social value criteria in procurement activities even where is it discretionary to do-so within the Council's policy, where is it relevant to the subject matter of the contract and proportionate	Refresh the Council's Social Value Policy to ensure social value is included in procurement activity wherever possible	Year 2- Q3	Action delayed due to desire to align activities with anchor institutions of the Civic Engagement Agreement. Currently identifying PCC specific activities for acceleration e.g. council specific priority measures
SV4	Including social value criteria in procurement activities even where is it discretionary to do-so within the Council's policy, where is it relevant to the subject matter of the contract and proportionate	Begin to monitor all instances of where social value has been included as an award criterion not just in relation to the TOMs framework	Year 1- Q3	Complete
SV5	Embedding social value into the Council's standard rules and procedures	Work with the Anchor Institutions Working Group to develop a joint social value statement and explore alignment of procurement policies	Year 2- Q3	Complete- Joint definition agreed and incorporated into standard templates and communications

Measures of Success:

The TOMs framework approach was used within **22** awarded contracts totalling **£55,212,024.74** in FYTD with supplier social value commitments equating to **16.86%**. Whilst this is **3.14% below** the **20% target** it must be recognised that this FYTD considerable efforts have been made to expand the breadth of the contracts social value is applied to beyond the usual construction contracts. To illustrate examples of contracts where the TOMS framework approach has been used this FYTD are:

Contract Ref.	Procurement Title	Contract Value	Social Value Committed
24328	Security Services (all lots)	£9,000,000	15.44%
26361	Mount Batten Works	£2,881,421	32.77%
27609	Bus Infrastructure Improvements- The Park	£305,479	17.01%
26129	Collection, Transportation, Processing and Treatment of Green Waste (all lots)	£1,225,000	25.83%
26392	Subsidised Local Bus Services (all lots)	£2,104,933	114.44%
PEO27166	Plymouth Domestic Abuse Service & Behaviour Change (lot 2)	£3,400,000	27.32%
PEO24141	Adult Social Care Services Extra Care Housing (all lots)	£31,600,000	9.01%

Within the 22 awarded contracts social value was allocated a contract award criteria weighting of **6%** on average, **1% above** the minimum Social Value Policy expectation.

Buy Local

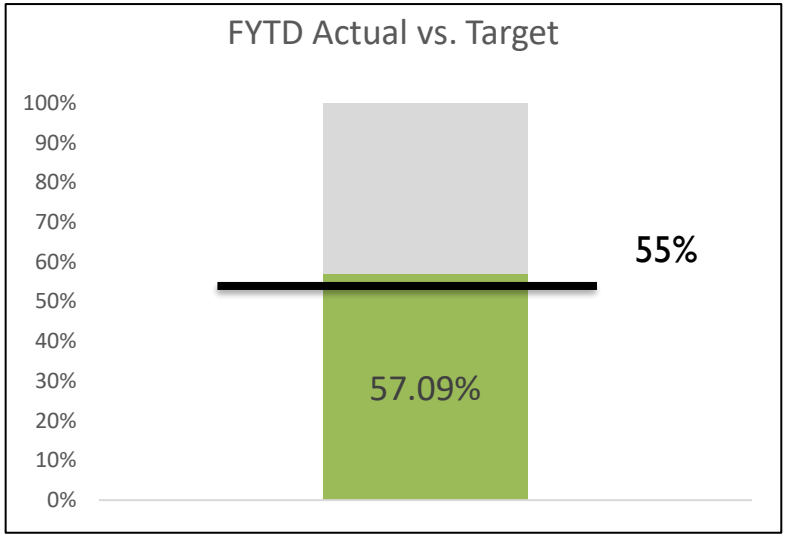
The Council will look to 'keep the pounds in Plymouth' where possible through its procurement activity by engaging directly with local businesses. The Council's definition of 'local' is 'PL Postcode' on the basis that investment in the local economy and benefits to the city are not only delivered through direct spend with central Plymouth businesses but are also a result of spending with the wider economic area. For example, the substantial number of Plymouth citizens who work for companies out of the Council boundaries.

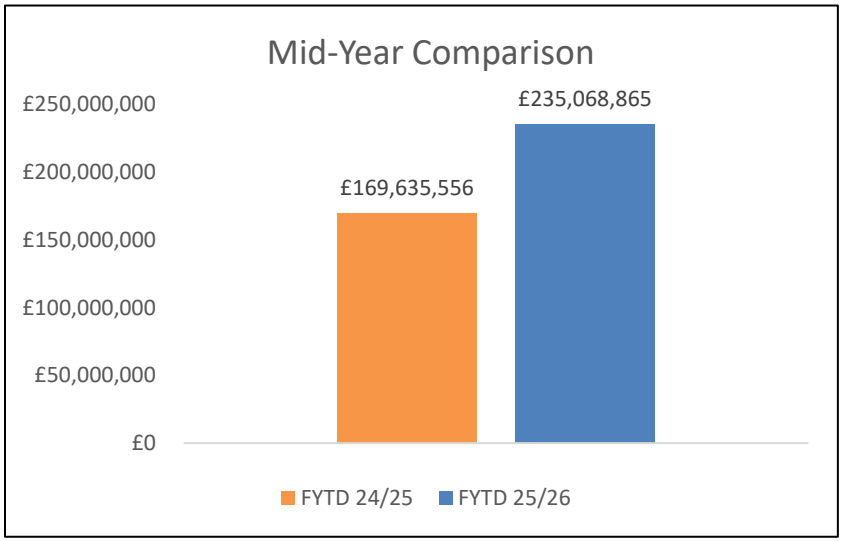
Ref.	Commitment	Description of Action	Target Completion	Feb 26 Update
BL1	Embedding a 'Buy Local' Agenda into the Council's standard procurement rules and procedures which looks to maximise local business engagement in procurement activities where possible,	Refresh CSO and associated processes and templates to ensure the importance of buy local is emphasised	Year 1- Q2	Complete
BL2	Procuring in accordance with the Council's 'Buy Local' Procedural Note,	Refresh Procedural Note	Year 1- Q2	Complete
BL3	Developing a Directory which aims to bring local business buyers and suppliers together,	Transfer of PCC owned Plymouth Supplier Directory to 'Find it in Plymouth' platform owned by Chamber of Commerce	Year 1- Q3	Complete
BL4	Looking to reduce and remove barriers faced by local businesses to maximise their chances of success,	Simplify below threshold procurement processes and templates	Year 1- Q4	Complete
BL5	Requiring robust justification where the Buy Local agenda is not delivered as part of procurement activity where appropriate,	Refresh CSO and associated processes and templates to capture instances of non-compliance with policy	Year 1- Q2	Complete

Measures of Success:

Of the Council's **£412.5 million** total procurement spend FYTD, **£235.1 million** was spent with PL postcode suppliers equating to **57.09%** of total spend. This is **2.09% above** the **55% target**.

Comparison to strategy year 1 mid-year progress indicates an actual monetary spend increase with PL postcode suppliers of **£65.4 million.**

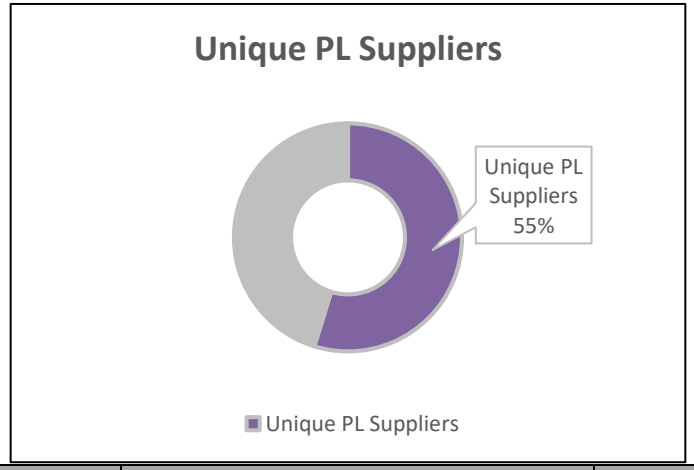




Of the **2,735** unique suppliers the Council did business with in FYTD **1,441** were PL postcode suppliers equating to **55%** of the Council's total direct supply chain.

SME, Co-op, Mutual, VCS & SE Engagement

The Council is committed to supporting small and medium enterprises; micro businesses; co-operatives and mutuals; social enterprises; and the voluntary and community sector.



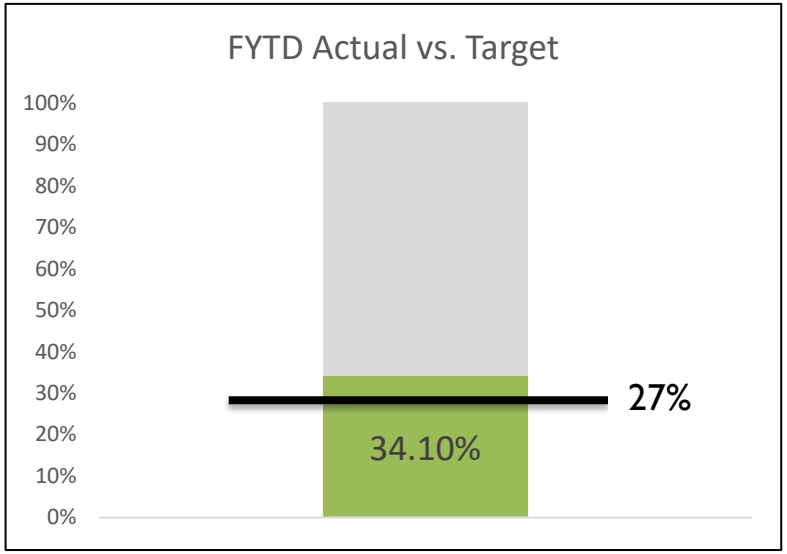
Ref.	Commitment	Description of Action	Target Completion	July 25 Progress update and RAG
E1	Embedding an 'SME Agenda' into the Council's standard procurement rules and procedures which looks to maximise the engagement of these businesses and organisations in procurement activities where possible,	Refresh CSO and associated processes and templates to ensure the importance of supporting SMEs is emphasised	Year 1- Q2	Complete
E2	Looking to reduce and remove barriers faced by these businesses and organisations to ensure there is a level playing field in competing for public procurement opportunities e.g. the letting of contracts,	Simplify below threshold procurement processes and templates	Year 1- Q4	Complete

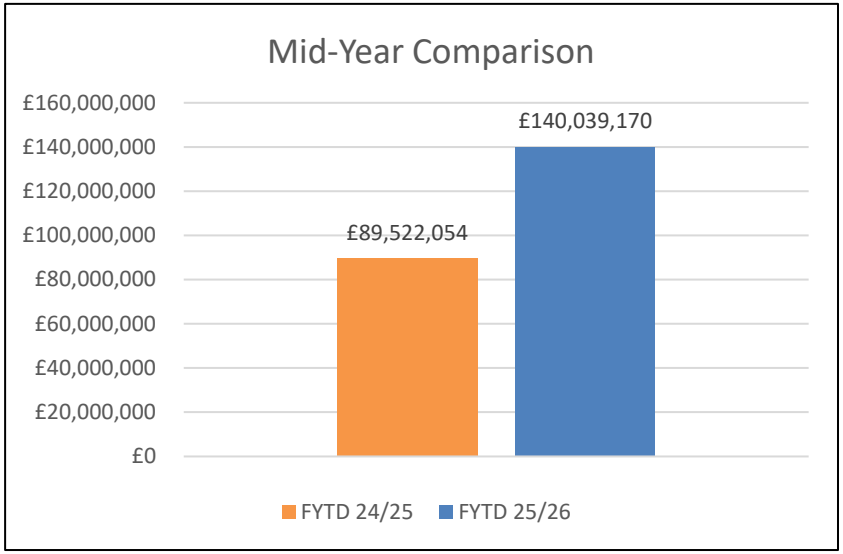
E3	Looking to reduce and remove barriers faced by these businesses and organisations to ensure there is a level playing field in competing for public procurement opportunities e.g. the letting of contracts,	Explore to what extent the Council can capture spend broken down into more discreet groups e.g. charities, co-ops, social enterprises etc	Year 2- Q4	Ability to capture spend confirmed. Development of new process to commence imminently ready for establishment under next iteration of strategy
E4	Pursuing policies and implementing measures which recognise the particular complexities and challenges faced by these businesses and organisations e.g. 15 days SME payment terms.	Explore reducing SME payment terms further where the Council directly contracts with an SME and explore to what extent we can insist that such terms are passed onto SME sub-contractors	Year 2- Q4	Further reduction of SME payment terms unfeasible however, analysis reveals existing terms are already very progressive. Actions to better publicise in progress Passing on of 15-day terms to SME subcontractors unfeasible but tender template update to encourage on-time payment complete

Measures of Success:

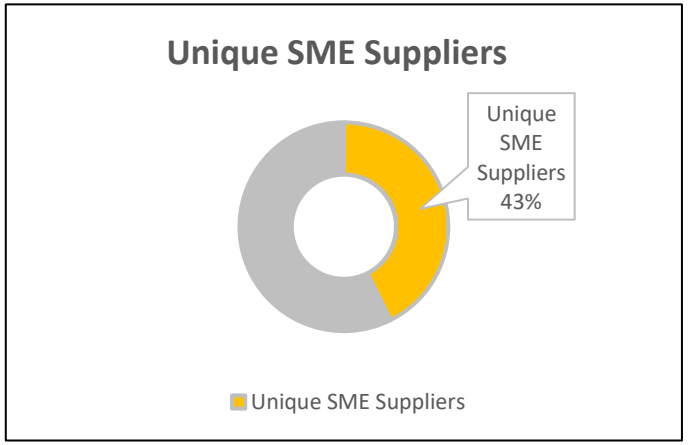
Of the Council's **£412.5** million total procurement spend in FYTD, **£140 million** was spent with SME suppliers equating to **£34.1%** of total spend. This is **7.1%** above the **27% target**.

Comparison to strategy year 1 mid-year progress indicates an actual monetary spend increase with SMEs of **£50.5 million.**

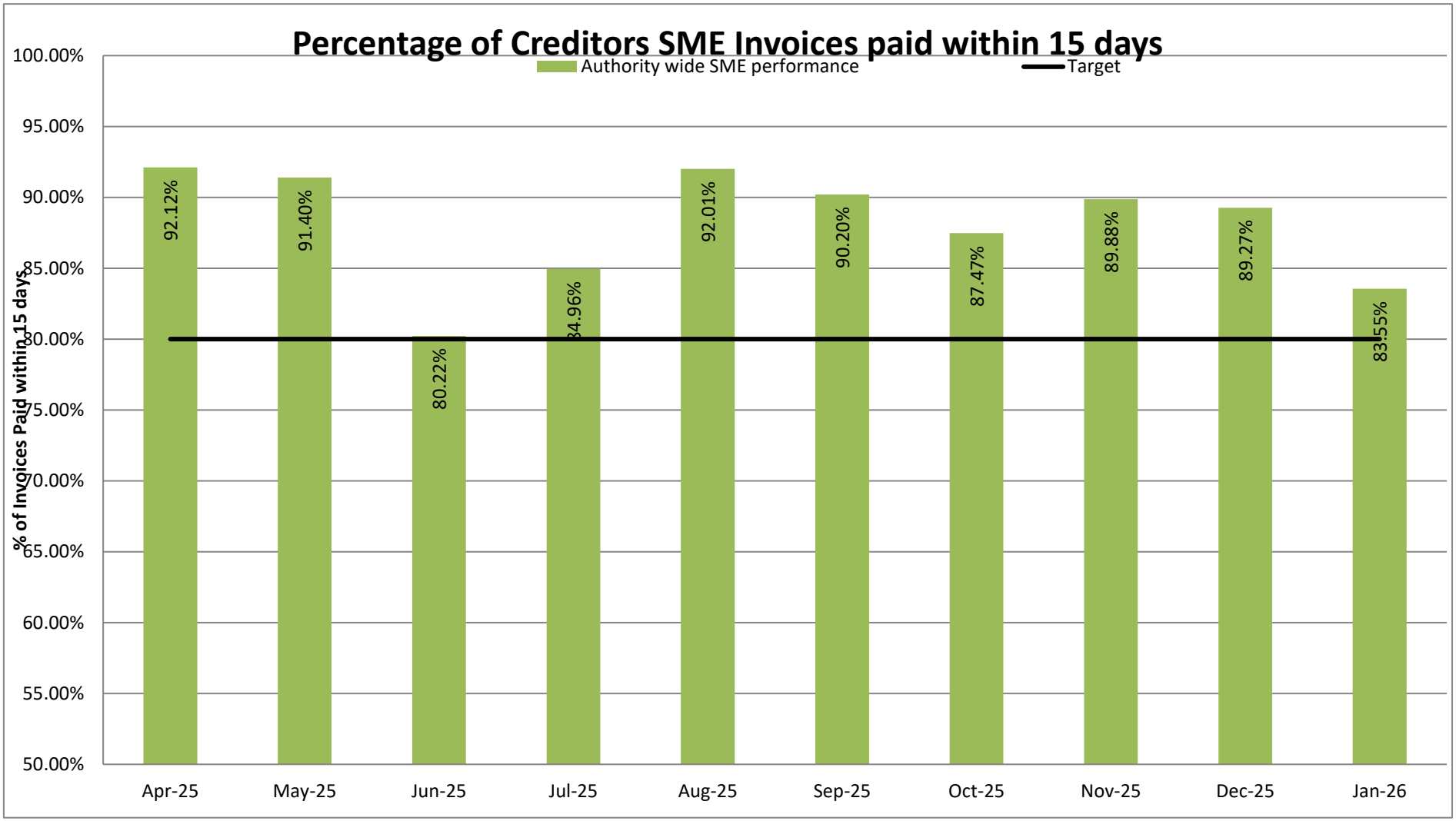




Of the **2,735 unique suppliers** the Council did business with in FYTD, **1,167** were SME suppliers equating to **43%** of the Council's total direct supply chain.



The Council has committed to pay SMEs within 15 days of a valid invoice instead of the standard 30 days. Against a target of **80%** the Council has exceeded this target every month, with a FYTD average of **88.11%.**



Equality and Diversity

The Council will demonstrate as part of the contracts it procures and the suppliers it does business with, its commitment to valuing, promoting, and celebrating equality, diversity, and community cohesion.

Ref.	Commitment	Description of Action	Target Completion	Feb 26 Update
ED1	Consideration of equality and diversity when assessing the suitability of suppliers to deliver Council contracts where relevant and proportionate,	_	_	BAU
ED2	Including equality and diversity related expectations and standards in contract specifications where relevant and proportionate,	Refresh CSO to ensure equality and diversity is an explicit consideration	Year 1- Q2	Complete
ED3	Setting equality and diversity related contract award criteria where relevant and proportionate,	_	_	BAU
ED4	Requiring contracted suppliers to comply fully with the Equality Act,	_	_	BAU
ED5	Monitoring supplier performance in relation to equality and diversity as part of contract management,	Roll out social value contract management template	Year 1- Q4	Complete
ED6	Embedding equality impact assessments into Procurement decision-making where appropriate,	Refresh CSO and associated processes and templates to ensure EIAs are explicitly mentioned	Year 1- Q2	Complete
ED7	Embedding equality impact assessments into Procurement decision-making where appropriate,	Support the Policy and Intelligence Team to improve the EIA process and subsequently develop a methodology for incorporating the output of the assessment into procurement processes	Year 2- Q4	Action behind schedule due to topic complexity coupled with Policy and Procurement Service capacity constraints.
ED8	Officer guidance on how to consider equality and diversity effectively and appropriately at each stage of the procurement cycle.	Refresh Procurement intranet pages to make guidance more accessible	Year 1- Q3	Complete

ED9	Officer guidance on how to consider equality and diversity effectively and appropriately at each stage of the procurement cycle.	Templates and guidance are reviewed to ensure care experience is clearly identified as a protected characteristic	Year 2- Q1	Complete

Measures of Success: Only one procurement-related action within the Council's Equality and Diversity Action Plan is outstanding as above.

Climate Emergency

The Council declared a climate emergency in 2019. Procurement has a key role to play in reducing scope 1, 2 and 3 emissions both directly, by the Council controlling what and how it decides to procure and indirectly, through influencing its supply chain.

Ref.	Commitment	Description of Action	Target Completion	Feb 26 Update
CE1	Consideration of environmental management and carbon reduction plans when assessing the suitability of suppliers to deliver Council contracts where relevant and proportionate,	_	_	BAU
CE2	Including environmental expectations and standards in contract specifications where relevant and proportionate,	Refresh CSO to ensure the Climate Emergency is an explicit consideration	Year 1- Q2	Complete
CE3	Setting environmental related contract award criteria where relevant and proportionate	Embed a contract award weighting for climate change into standard procurement processes	Year 1-Q4	Complete
CE4	Monitoring supplier performance in relation to environmental impact as part of contract management,	Roll out social value contract management template	Year 1- Q4	Complete
CE5	Embedding climate impact assessments into Procurement decision-making where appropriate	Refresh CSO and associated processes and templates to ensure CIAs are explicitly mentioned	Year 1- Q2	Complete
CE6	Requiring robust justification where climate considerations are not included in procurement activity where appropriate,	Refresh CSO and associated processes and templates to capture instances of non-compliance with policy	Year 1- Q2	Complete
CE7	Officer guidance on how to consider the environment effectively and appropriately at each stage of the procurement cycle.	Refresh Procurement intranet pages to make guidance more accessible	Year 1- Q3	Complete

Measures of success: All procurement-related actions within the Council's Net Zero Action Plan have been delivered as part of the above.

Modern Slavery

The Council is committed to taking steps to ensure that the practices and conditions which may allow modern slavery to occur do not take place in the delivery of Council contracts or through its wider supply chain.

Ref.	Commitment	Description of Action	Target Completion	Feb 26 Update
MS1	Consideration of modern slavery when assessing the suitability of suppliers to deliver Council contracts where relevant and proportionate,	Develop modern slavery-related suitability assessment questions	Year 2- Q4	Complete. Suite of questions have been developed and added to standard tender templates
MS2	Requiring contracted suppliers to comply fully with the Modern Slavery Act,	Templates to be updated to reflect additional requirements introduced under the Procurement Act 2023	Year 1- Q4	Complete
MS3	Putting mechanisms in place to challenge abnormally low-price tenders to ensure they do not rely upon the supplier practising modern slavery,	Templates and guidance to be updated to make explicit mention of modern slavery when challenging abnormally low tenders	Year 1- Q4	Complete
MS4	Developing Officer guidance on how to consider modern slavery effectively and appropriately at each stage of the procurement cycle,	Develop and publish guide	Year 1- Q2	Complete
MS5	Developing Officer guidance on how to consider modern slavery effectively and appropriately at each stage of the procurement cycle,	All Procurement professionals to complete CIPS Ethics training module (annual requirement)	Year 1- Q3	Complete
MS6	Exploring use of the government's Modern Slavery Assessment Tool with contracted suppliers.	Complete Modern Slavery Assessment Tool pilot	Year 2- Q3	In progress. Assessments completed and action plans being developed with suppliers.

MS7	Exploring use of the government's Modern Slavery Assessment Tool with contracted suppliers.	Analyse the results of the Modern Slavery Assessment Tool pilot and consider further roll out	Year 2- Q4	Due to commence following completion of MS6.

Measures of Success: Two procurement-related actions within the Council's Modern Slavery Action Plan are outstanding as above.

Compliance

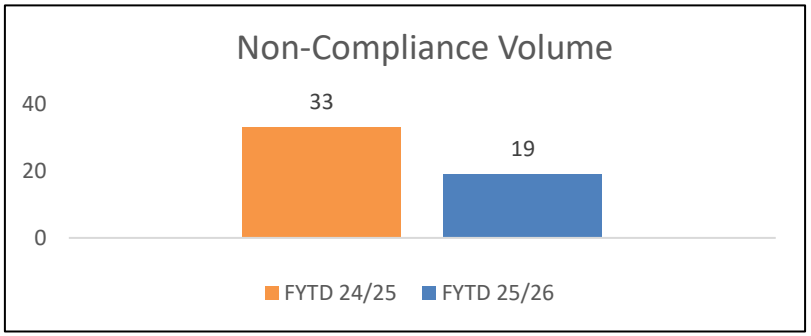
The Council will comply with all procurement-related legal requirements, primarily being the Council's Contract Standing Orders and current statutory provisions including The Procurement Act 2023 and The Health Care Services (Provider Selection Regime) Regulations 2023.

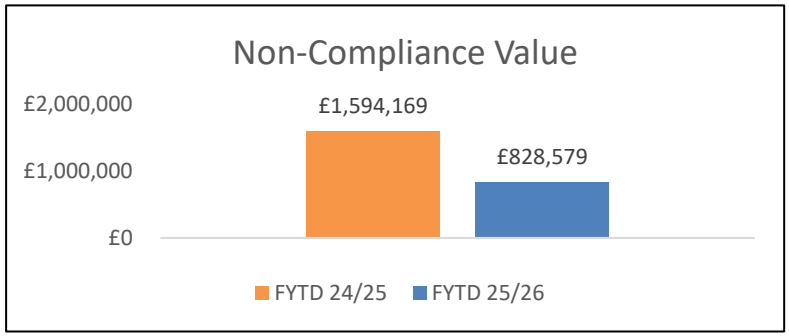
Ref.	Commitment	Description of Action	Target Completion	Feb 25 Update
C1	Ensuring the Council's Contract Standing Orders are comprehensive and up to date but also user-friendly.	Refresh CSOs	Year 1- Q2	Complete
C2	Maintaining robust governance procedures to ensure that compliant practices and processes are adhered to.	Refresh CSOs and associated processes and templates to ensure existing governance procedures are clear and introduce new procedures where gaps currently exist	Year 1- Q2	Complete
C3	Maintaining robust governance procedures to ensure that compliant practices and processes are adhered to.	Refresh CSO and associated processes and templates to ensure they comply with the Procurement Act 2023	Year 1- Q4	Complete
C4	Maintaining robust governance procedures to ensure that compliant practices and processes are adhered to.	Refresh procurement processes and templates to ensure they comply with the Procurement Act 2023 - PHASE 2 contract management requirements due to go live early 2026	Year 2- Q2	Source2Contract system business case is being developed which will ensure compliance with statutory reporting requirements. Behind schedule due to capacity constraints. **Interim work-around processes are being developed**

C5	Maintaining dedicated Procurement teams who are responsible for providing expert advice and guidance and facilitating procurement activities where appropriate.	Set up dedicated Commissioning Procurement team	Year 1- Q2	Complete
C6	Ensuring procurement professionals within the Council remain up to date with relevant legislative changes, procurement case law and other evidence of best practice.	All Procurement professionals to complete Procurement Act 2023 training	Year 1- Q3	Complete
C7	Restricting access to the undertaking of procurement activities to officers who have the necessary pre-requisite training and authorisation.	Refresh CSOs and develop a self-service procedural note	Year 1- Q2	Complete
C8	Restricting access to the undertaking of procurement activities to officers who have the necessary pre-requisite training and authorisation.	Review officer access levels to Civica purchasing and put in place clear governance requirements	Year 2- Q3	System access continues to be reviewed but on an ad hoc rather than systematic basis due to capacity constraints

19 instances of non-compliance with Council procurement rules and procedures were logged during FYTD totalling **£828,579** with an average value of **£43,500** per instance. None of these instances of non-compliance related to a breach of Procurement legislation but the Council's internal Contract Standing Orders only.

Comparison to strategy year 1 mid-year progress indicates a positive reduction in volume and value of logged non-compliance:





The Council has received no formal legal challenges during this FYTD.

6. ENABLERS

Partnership Working

The Council's philosophy to delivering successful outcomes through procurement activity is based on a 'one team' approach, bringing together Council departments and organisations as well as collaboration with local and regional partners. This is to ensure that service needs are recognised, visions and strategic priorities are understood, expert knowledge is shared, resources are used efficiently and culminate in the design and implementation of public services which meet the City's needs and expectations in the most effective and efficient way possible.

Ref.	Description of Action	Target Completion	Feb 26 Update
PW1	Maintain a strong relationship with the Southwest Procurement Board	_	BAU
PW2	Maintain a strong relationship with the Devon and Cornwall Procurement Partnership	_	BAU
PW3	Lead the Plymouth Public Sector Partnership Group	_	BAU
PW4	Actively engage with the 'Anchor Institutions' working Group	_	BAU
PW5	Support and actively engage with the Council's family of companies with specific reference to CATER[ed], Arca and PAL. Also including DELT but to a lesser degree due to procurement independence	_	BAU
PW6	Refresh CSO and associated processes and templates to emphasise the need for co-design and collaboration when undertaking procurement activities	Year 1- Q2	Complete
PW7	Release new strategic and service area procurement dashboards*	Year 2- Q4	Power Bi Procurement dashboard currently being developed including ability for SDs to view their individual data

**NOTE: This action now forms part of PCC's response to Grant Thornton's 24/25 Value For Money Audit improvement recommendation IR5 to increase the visibility of waiver and non-compliance data to support effective oversight and challenge where processes designed to achieve value for money have not been followed.*

Developing Talent

A Council's ability to ensure taxpayers money is spent effectively and efficiently and address commercial challenges and issues of value is predicated on the talent management, recruitment, and retention of Procurement professionals

Ref.	Description of Action	Target Completion	Feb 26 Update
DTa1	Support all Procurement professionals to complete the CIPS programme in accordance with role profiles	_	BAU
DTa2	Assess additional training needs in light of Procurement Act 2023 and identifying courses for completion	Year 2- Q3	Additional training needs have been identified in relation to negotiation skills, but courses not yet pursued due to Procurement Service capacity constraints

6 procurement professionals are actively studying towards their Chartered Institute of Procurement and Supply qualifications as follows:

- Level 4- 4 officers
- Level 5- 1 officer
- Level 6- 1 officer

1 procurement professional is actively studying towards level 5 Management and Leadership Development Programme

1 procurement professional is actively studying towards a BSc Hons degree in Professional Management Practice including CMI chartered status.

Digital Transformation

Data is the cornerstone of Category Management and access to and rapid analysis of data, particularly spend data, is critical for understanding how to manage procurements and contracts. The Council needs to ensure that appropriate digital systems and processes are in place to gather sufficiently transparent and granular data which will enable procurement officers to gain the insights necessary to make the best professional recommendations

Ref.	Description of Action	Target Completion	Feb 26 Update
DTr1	Develop business case for the provision of a corporate contract management software system in light of Procurement Act statutory requirements and in response to recommendations from various audits	Year 2- Q2	Source2Contract system business case is being developed with contract management identified as a priority module. Currently in data gathering phase. Behind schedule due to capacity constraints
DTr2	Resecure intelligent automation resource in light of Procurement Act statutory requirements	Year 2-Q3	Closed. Superseded by Source2Contract system business case which will include requirement to automate manual processes
DTr3	Explore moving procurement forms to Firmstep	Year 2- Q3	Closed. Superseded by Source2Contract system business case which will include requirement to digitalise manual forms
DTr4	resecure subscription to spend analysis software as described in framework section	_	See framework section

Contract and Supplier Relationship Management

The effective management of contracts and maintaining appropriate relationships with suppliers is vital to the successful delivery of public services by ensuring that costs are controlled, the quality and timeliness of agreed outcomes and performance levels are met, and the occurrence of risks are minimised.

Ref.	Description of Action	Target Completion	Feb 26 Update
CM1	Develop a corporate contract management framework for the organisation*	Year 2- Q4	Action progressing and in data gathering phase but unlikely to be completed by target completion date without additional resource due to capacity constraints. Being incorporated into procurement transformation project.

**NOTE: This action now forms part of PCC's response to Grant Thornton's 24/25 Value For Money Audit improvement recommendation IR7 to strengthen contract management arrangements by:*

- *Implementing processes to provide central oversight and assurance that contracts are being monitored and managed effectively*
- *Developing the contract management framework to categorise contracts by value and impact on service delivery and develop proportionate contract management processes according to risk*

Risk Management

The Council's procurement activity is diverse ranging from low value, low risk transactional purchases right up to multi-million-pound complex strategic partnership arrangements across seven unique categories. This diversity means it is not appropriate to take a 'one size fits all' approach to procurement, instead decisions must be made on a requirement-by-requirement basis taking into consideration relevant information on a proportionate basis. This naturally places risk management at the heart of procurement activity by putting expectations on officers to identify and assess internal strengths and weaknesses and external threats and opportunities to determine the procurement sourcing strategy that will deliver the best outcome, whatever that looks like for a given requirement. This includes putting in place risk mitigations where necessary.

Ref.	Description of Action	Target Completion	Feb 26 Update
RM1	Maintain operational risk register	-	BAU
RM2	Refresh CSO and associated processes and templates to ensure consideration of risk management is embedded throughout the procurement cycle	Year 1- Q2	Complete

Framework

The Council's chosen strategic procurement framework is Category Management which is where an organisation segments it spend into areas which contain similar or related characteristics for the purposes of managing procurement activity. Category Management is widely held in the profession to be the most effective and efficient approach to Procurement.

Ref.	Commitment	Description of Action	Target Completion	July 25 Progress update and RAG
F1	Data Analysis- to make insights and overall better-informed decisions	Resecure subscription to spend analysis software	Year 2- Q1	Closed. Superseded by Source2Contract system business case which will include requirement for spend analysis functionality
F2	Categorisation- Developing expertise and market knowledge to discover opportunities to be commercial and for innovation	Review and refresh where necessary the Council's spend categories.	Year 2- Q4	Complete. External procurement consultants V4 Services Ltd have reviewed PCC's spend categories and confirmed they remain valid and align with category management good practice
F3	Segmentation- to inform prioritisation and make best use of resources	Develop a Council contract/spend segmentation model (links to wider contract management framework)	Year 2- Q4	Action progressing as part of contract management framework but unlikely to be completed by target completion date without additional resource due to capacity constraints. Being incorporated into procurement transformation project.
F4	Aggregation- Securing reductions in costs including purchase price by increasing volumes and reducing transactions	identify and categorise existing Council contracts + pipeline procurements (Procurement Act)	Year 1- Q4	Complete

F5	Standardisation- Achieving consistency and assurance of policies/ procedures	Develop category management templates	Year 2- Q4	Not commenced. Dependency on systems and contract management framework workstream which have also been prioritised due to capacity constraints. Being incorporated into procurement transformation project.
F6	Supplier Relationship Management- Building appropriate relationships with suppliers to ensure the successful delivery of outcomes, and pursue continuous improvement	Develop a Council supplier segmentation model	Year 2- Q4	Action progressing as part of contract management framework but unlikely to be completed by target completion date without additional resource due to capacity constraints. Being incorporated into procurement transformation project.

BENCHMARKING AND MATURITY ASSESSMENT

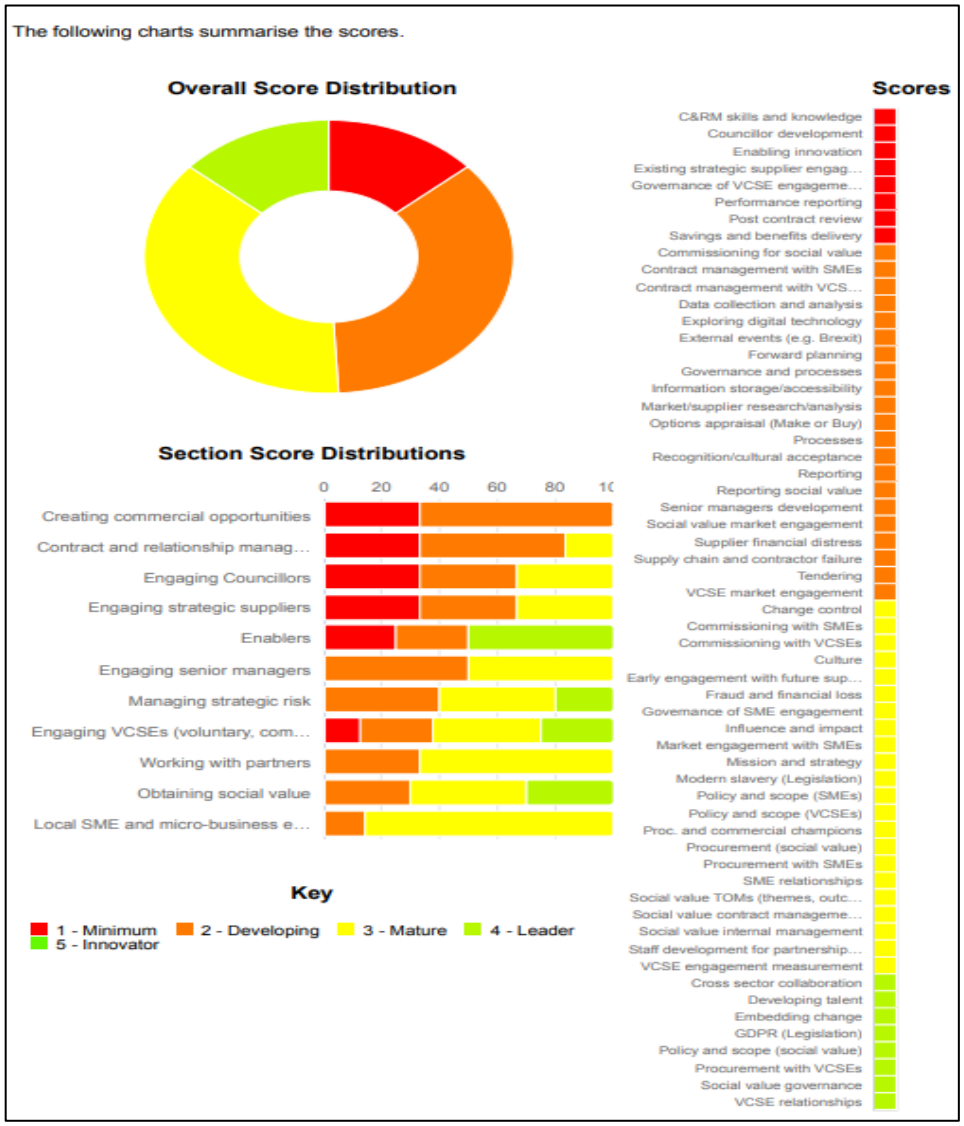
Two procurement benchmarking and maturity assessment activities have been completed during this period to understand our progress and maturity against other regional and national local authorities. Findings are summarised below:

LGA's National Procurement Strategy 2025

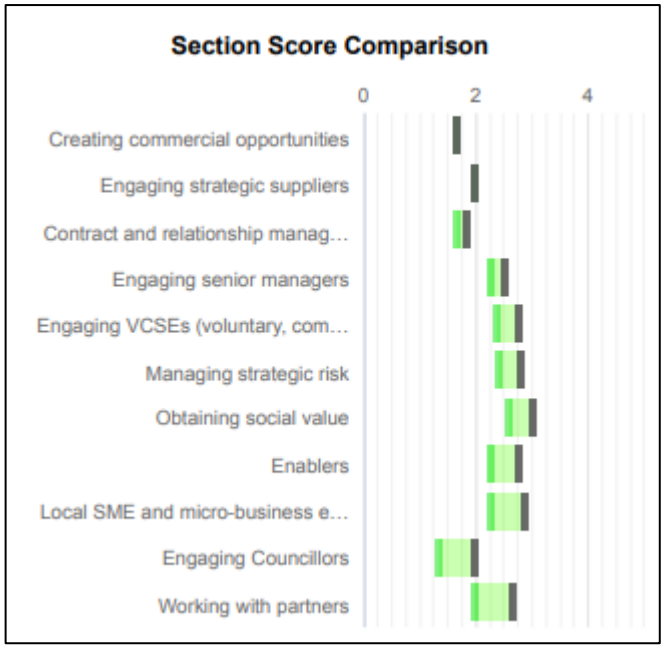
- LGA's National Procurement Strategy is recognised by the UK Government as a benchmark framework, aligned with the core values of the National Procurement Policy Statement introduced alongside the Procurement Act 2023.
- The diagnostic is a means of enabling LAs to gauge current level of attainment against the National Strategy, ascertain where improvement is needed in accordance with own local priorities and, measure progress against previous submission(s).
- The diagnostic is a self-assessment based on a maturity index from 1 (minimum) to 5 (innovator) with scores being selected based on how close a procurement service matches pre-defined statements for each maturity level.
- Where the Council met some but not all the statements within a maturity level discretion was applied as to whether maturity could be reasonably demonstrated. Where uncertain the lower maturity level was selected.
- PCC's response was completed collaboratively by the Procurement Service and Commissioning Procurement Team and agreed by the Procurement Portfolio Holder and Service Director for Finance in November 2025.

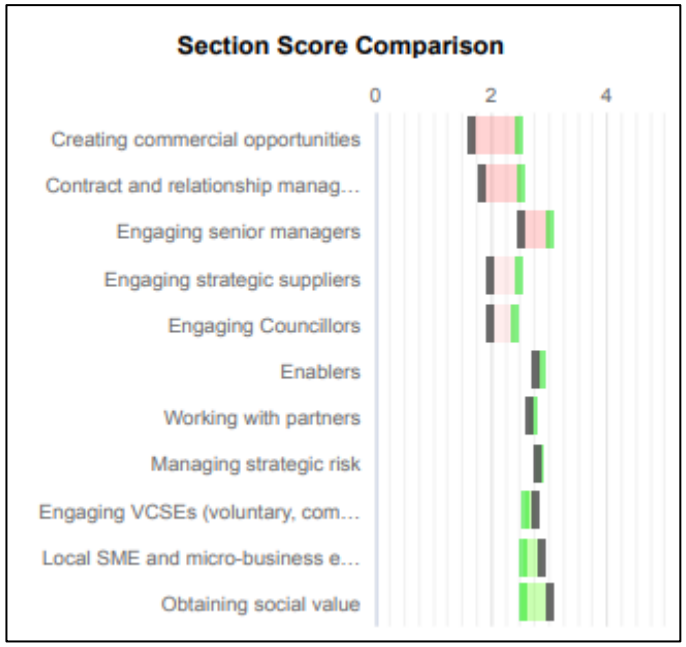
Results indicate PCCs procurement service is:

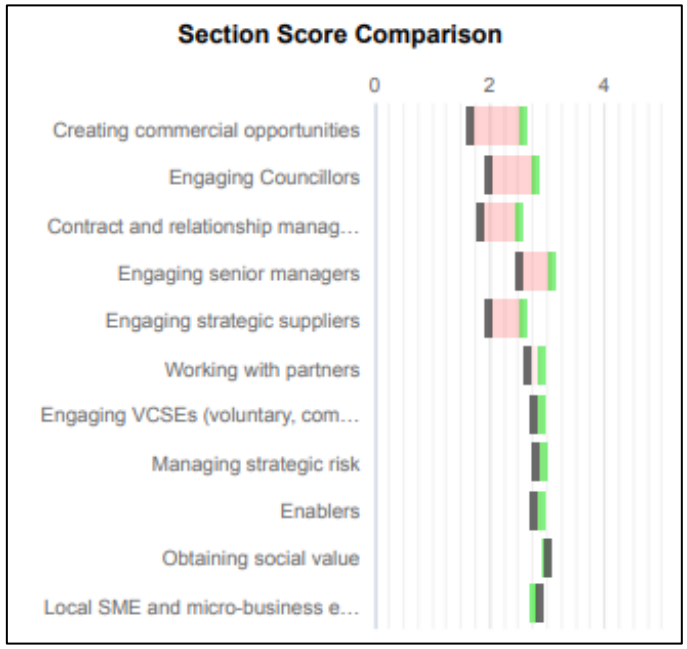
- Mature and shows leader qualities in areas such as VCSE and SME engagement, social value and legislative governance.
- Developing and shows minimum maturity in areas such as forward planning, data analysis and use of digital tools, contract and supplier relationship management and savings delivery.



Score (Overall Benchmark) gap < 0 gap 0 - 0.5 gap 0.5 - 1.25 gap 1.25 - 2.0 gap 2.0 - 3.0 gap > 3.0







Comparison: 2021 Benchmark

- No regression since 2021
- Progress made in majority of areas particularly working with partners, engaging Councillors and supporting SMEs
- No and limited movement in relation to contract and supplier relationship management and creating commercial opportunities

Comparison: Southwest Benchmark

- Notably behind the region in relation to creating commercial opportunities, contract and supplier relationship management and procurement engagement at the strategic level.
- On par with the region in relation to enablers, working with partners and managing strategic risk.
- Ahead of the region in relation to VCSE and SME engagement and social value

Comparison: England Benchmark

- Notably behind LAs nationally in relation to creating commercial opportunities, contract and supplier relationship management and procurement engagement at the strategic level.
- On par nationally in relation to working with partners, engaging VCSEs, managing risk and enablers.
- Ahead of LAs nationally in relation to SME engagement and social value

V4 Services Ltd As-Is Diagnostic

Recognising the limitations of the LGA's benchmarking diagnostic as a self-assessment only and the value in obtaining an objective external expert opinion upon which a fit-for-purpose procurement service can be built to meet the Council's current needs and future ambitions, V4 Service Ltd were contracted to undertake a maturity assessment and make recommendations for improvement accordingly.

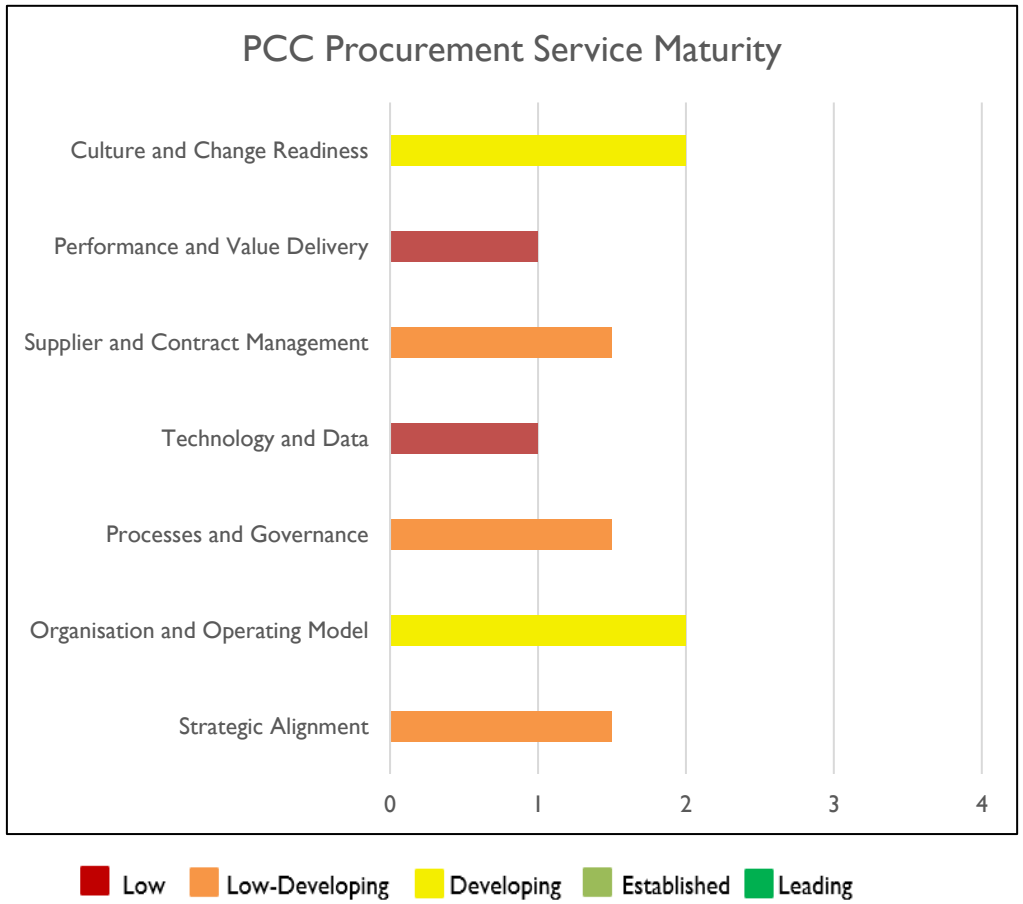
The summary of their findings is:

Overall, the Council demonstrates strong strategic intent and a clear commitment to value for money, social value, and sustainability, as reflected in its Procurement Strategy 2024–2026 and the Prevention-First Transformation Programme. However, delivery capability remains immature and fragmented, with significant variation in practice across directorates. The function is largely reactive, focused on process compliance rather than strategic outcomes, and lacks the visibility, systems, and governance needed to embed a modern, data-driven approach compliant with the Procurement Act 2023.

To move toward an "Established to Leading" maturity level, the Council must focus on:

- Integrating procurement, contract management, and commissioning within a unified governance and accountability framework.
- Investing in technology and data infrastructure to improve visibility, compliance, and performance reporting.
- Developing proportionate, risk-based processes that enable efficiency and innovation
- Building commercial capability and SRM practices to drive value beyond compliance.
- Embedding performance metrics and continuous improvement mechanisms to measure delivery and demonstrate impact.
- Fostering a collaborative and empowered culture, positioning procurement as a strategic partner in achieving corporate outcomes.

The foundations for effective procurement are in place, but transformation will require concerted leadership focus, resource investment, and a shift from process compliance to strategic value creation.



Appendix A- Waiver and Non-compliance Data

Waivers

Ref #	WIP #	Reason(s)	Client Team	Client Service	Client Directorate	Supplier Name	Procurement Title	Total Value (ex VAT)
WA2328	27803	Limited Market	Housing & Regeneration	Strategic Planning and Infrastructure	Place	Firntec Ltd	Plymouth Guildhall Fire Strategy	£ 18,990
WA2329	27804	Limited Market	Housing & Regeneration	Strategic Planning and Infrastructure	Place	Services Design Solutions Limited	Mechanical, Electrical and Public Health Engineer for Plymouth Guildhall	£ 23,607
WA2337	27722	Reputational Implications Limited Market	Strategic Transport	Strategic Planning and Infrastructure	Place	Fortestville Communications Limited T/A ECF	A38 Manadon Interchange Consultation and Community Engagement Support	£ 171,695
WA2342	27749	Limited Market	Strategic Projects Housing & Regeneration	Strategic Planning and Infrastructure	Place	Bailey's Partnership Ltd	Principal Designer Role for Phase 1 Longcause	£ 17,550
WA2343	27567	Reputational Implications	Recruitment	HROD	Customer and Corporate Services	Berwick Partners trading as IRG Advisors LLP	Search & Selection for Chief Operating Officer	£ 48,250
WA2345	27723	Reputational Implications	Projects (on behalf of	Strategic Planning and Infrastructure	Place	South West Water	Sewer diversion Colesdown Hill	£ 141,233

			Transport Planning)					
WA2346	27723	Reputational Implications	Projects (on behalf of Transport Planning)	Strategic Planning and Infrastructure	Place	South West Water	Main waters diversion Colesdown Hill	£ 206,337
WA2351	27598	Reputational Implications	Natural Infrastructure	Street Services	Place	WBM Groundworks	Central Park (Ph3) Groundworks	£ 373,186
WA2358	Various	-Breach or Conflict of Statutory Duties -Reputational Implications -Personal Welfare of Service users -Limited Market	Statutory Compliants	Transformation	Customer and Digital	Various	Independent Investigators	£ 25,000
WA2375	27979	Limited Market	Adults, Health and Communities	Commissioning	Adults, Health and Communities	ON CALL	Translation Services	£ 100,000
WA2377	27641	-Reputational Implications -Limited Market	Oceansgate	Economic Development	Place	NG Bailey	MoD communications diversion - Oceansgate Ph3.1	£ 250,000
WA2379	28003	-Breach or Conflict of Statutory Duties -Reputational Implications	Technical officer	Street services	Place	Chubb	M&E for Chelson Meadow	£ 150,000
WA2382	28033	-Reputational Implications -Limited Market	Housing & Regeneration	Strategic Planning and Infrastructure	Place	Countercultur e Partnership LLP	Guildhall Options and Business Plan Development	£ 21,700

WA2397	27801	Reputational Implications	Economic Development	Economic Development	Place	BDP	CDM Principle Designer Services for the Civic Centre	£ 36,500
WA2398	28095	Reputational Implications	Economic Development	Economic Development	Place	Prism Measured Surveys	Measured Building Survey and Underground utility survey - Civic	£ 40,168

Non-Compliance Declarations

Ref #	WIP #	Non-Compliance Status	Client Team	Client Service	Client Directorate	Supplier Name	Procurement Title	Total Value (ex VAT)
NC2352	27814	A contractual commitment has already been made in breach of the Council's CSOs	n/a	Strategic Planning and Infrastructure	Place	Hippo Consulting	Plymouth Guildhall AV Package Stage 3	£ 8,000
NC2355	25763	A contractual commitment has already been made in breach of the Council's CSOs	Economic Development	Economic Development	Place	Savills	Asset Valuations	£ 50,000
NC2356	27836	A contractual commitment has already been made in breach of the Council's CSOs	SEND	Education, Participation and Skills	Childrens Services	Dr Victoria Jervis	Psychological supervisions sessions	£ 5,000
NC2357	27835	A contractual commitment has already been made in	Facilities Management	Facilities Management	Customer and Corporate	FRA Limited	Fire Risk Assessments	£ 25,000

		breach of the Council's CSOs						
NC2363	27884	A contractual commitment has already been made in breach of the Council's CSOs	Net Zero	Strategic Planning	Place	Theatre Royal T/A Talklight	Room hire	£ 162
NC2364	27889	A contractual commitment has already been made in breach of the Council's CSOs	Electoral services	Electoral services	Executive Office	PL1 Events	Equipment for directly elected mayor refurendum	£ 46,458
NC2366	27898	A contractual commitment has already been made in breach of the Council's CSOs	Strategic Development	Strategic Co-operative Commissioning	People	PLYMOUTH Learning Partnership CIC	LEARNING MENTOR CONTRACT	£ 375,424
NC2367	27912	A request to make a contractual commitment was made without sufficient consideration of the Council's CSOs where the Council has no option but to commit	Economic development	Economic Development	Place	Detertech	Intruder detection and CCTV at Civic Centre	£ 32,004
NC2369	27851	A contractual commitment has already been made in breach of the Council's CSOs	Plymouth Highways	Highways	Place	WSP	General, Principal and Special Structural Inspections	£ 60,421
NC2370	27926	A contractual commitment has already been made in	Community Connections	Community Connections	People	Trevi	Changing Futures Women's Support Project	£ 40,548

		breach of the Council's CSOs						
NC2374	27935	A contractual commitment has already been made in breach of the Council's CSOs	contract and compliance	street services	Place	Chubb	To deliver M&E routine, reactive repair and maintenance of the LTP june/july/aug	£ 66,000
NC2381	28004	A contractual commitment has already been made in breach of the Council's CSOs	Economic Development	Strategic Development	Place	Avison Young	Plymouth Airport – Expert Witness & Value Advice	£ 23,218
NC2403	28098	A contractual commitment has already been made in breach of the Council's CSOs	Oceansgate Project Coordinator	Economic Development	Place	Moortek	Installation of new antennae and mobile signal booster for Endeavour House	£ 23,950
NC2405	28153	A contractual commitment has already been made in breach of the Council's CSOs	Building Surveyor	Facilities management	customer and corporate	Bronze Age	Nancy Astor Statue repair and maintenance	£ 5,000
NC2406	28154	A contractual commitment has already been made in breach of the Council's CSOs	Building Surveyor	Facilities management	customer and corporate	hewitt bros	Nancy Astor Statue collection and delivery	£ 4,780
NC2419	28213	A request to make a contractual commitment was made without sufficient consideration of the	Community Safety	Community Connections	People	Black Country Metalworks Ltd	Knife Angel Statue Loan	£ 4,000

		Council's CSOs where the Council has no option but to commit						
NC2431	28287	A request to make a contractual commitment was made without sufficient consideration of the Council's CSOs where the Council has no option but to commit	Inclusion, Attendance and Welfare Team	Education, Participation and Skills	Children's Services	The Engagement Platform	Pupil And Staff Engagement Tool For Schools	£ 51,015
NC2435	28322	A contractual commitment has already been made in breach of the Council's CSOs	Transport	Strategic Planning	Place	Westcotts	Audit for Capital project	£ 2,750
NC2438	28339	A contractual commitment has already been made in breach of the Council's CSOs	Culture and Employee Engagement	HROD	Customer and Corporate Services	Bthechange CIC	Management And Leadership Development Programme	£ 4,850