



# Commercial Strategy 2024-2027

## STRATEGY AIMS:

- Ensure contracts align to the financial strategy and represent value for money
- Deliver efficiencies and savings where possible
- Ensure that procurement and commercial activity reflects local, regional and national priorities, aims and objectives
- Commitment to effective and efficient procurement from all key stakeholders throughout the organisation and beyond
- Commitment to effective and efficient contract governance
- Maximise public benefit through the delivery of Social Value
- Encourage commercial and innovative approaches to service delivery through procurements
- Plan the way forward using procurement pipelines to help coordinate procurement and use resources as effectively as possible
- Use procurement data to meet procurement priorities
- React to changes in legislation regarding public sector procurement

## ALIGNMENT WITH COUNCIL PRIORITIES

Start Life Well	Live and Age Well	Prosper and Flourish	Clean and Tidy	A Strong and Sustainable Council
Being innovative in our procurement practices to provide services that really make a difference to young people.	Acknowledging the role procurement and commissioning play in identifying, agreeing and implementing services to benefit the residents.	Ensuring Social Value is at the heart of decision making.	Minimise the impact of procurement and commercial activity on our environment.	Achieving value for money from our procurement and commercial activities, ensuring good governance is carried out to ensure we meet our legal and statutory obligations.

## PRINCIPLES

Principle 1	Principle 2	Principle 3	Principle 4	Principle 5	Principle 6
Maximise commercial opportunities through Procurements	Commercial Focus in all activities	Develop and grow commercial and procurement capacity skills and culture	Good Contract Governance	Utilise data systems and digitisation to inform procurement decisions	Maximise public benefit through procurements

## ACTIONS

Principles	Actions and timescales	Survive: Years 1 - 2 – Quarter to be delivered 2024/25, 2025/26	Strive: Years: 3 - 5	Thrive: Years 6 - 10
<b>Principles 1</b>	Maximise commercial opportunities through Procurements	Amend the Contract Procedure Rules to reflect the commercial activity and the new Regulations contained within the Procurement Act 2023. Quarter 4 24/25		
<b>Principles 2</b>	Commercial Focus in procurement activities	<p>Generate income and savings via the delivery and implementation of a Supplier Incentive Programme. Quarter 4 24/25</p> <p>Review contracts and determine whether income generation and savings can be identified and delivered. Quarter 3 24/25</p> <p>Review contracts and existing services to determine whether there are opportunities to increase fees and charges as well as consider alternative trading arrangements that achieves value for money. Quarter 3 24/25</p>	Increase Supplier onboarding to the Supplier Incentive programme to increase income and savings. Annual	



<b>Principles 3</b>	Develop and grow commercial and procurement capacity skills and culture	Commercial skills, Contract Management and Procurement Training to be mandatory within the corporate training programme. Quarter 4 24/25  Review job descriptions /specifications to determine if commercial, contract management is required as part of the job role. Quarter 2 25/26	Commercial skills, Contract Management and Procurement experience to be included within job specifications for roles which procure goods, works and services for the Council. 26/27	
<b>Principles 4</b>	Good Contract Governance	Include Key Performance Indicators in all contracts with a value of £5 million and over. Quarter 4 24/25  Compliance with the Procurement Act 2023 and Provider Selection Regime. Quarter 4 24/25		
<b>Principles 5</b>	Utilise data systems and digitisation to inform procurement decisions	Integrate and embed new e-procurement system to include the requirements of the Procurement Act 2023. Quarter 4 24/25  Integrate and embed new e-procurement system to include the requirements of the Procurement Act 2023. Quarter 4 24/25  Analyse data from existing and new software systems to help make procurement decisions. Quarter 1 25/26	Specific award criteria on carbon reduction and climate change to be included in all contract award process. 26/27	
<b>Principles 6</b>	Maximise public benefit through the delivery of services	Maximise the Council's percentage of third party spend with local suppliers by providing procurement advice to organisations to increase their knowledge and skills when bidding for contracting opportunities. Quarterly  Develop specific award criteria to enable carbon reduction and climate change to be considered as part of the contract award process and include the Council's Social Value Charter in all competitive procurement processes. Q4 24/25  Develop procurement documentation to include a focus on delivering local job opportunities through the supply chain. Q1 25/26  Provide procurement advice to suppliers and all relevant stakeholders, where appropriate, in relation to the Council's carbon reduction programme and climate emergency response. Q1 25/26		

Measure of success	Performance indicator/outcome	Outturn position 2023/24	Survive: Years 1 - 2	Strive: Years 3 - 5	Thrive: Years 6 - 10
<b>Performance measure</b>	Number of Redcar & Cleveland Suppliers engaged with, eg Procurement advice and guidance given – Maximising public benefit	35	36 - 50	51 – 75	76 - 90
	Number of competitive procurement processes which include Social Value criteria – Support the Council's carbon reduction programme and climate emergency response through improved and considered procurement activity – Maximising public benefit	50	51 – 65	65 – 80	81 - 100
	Number of officers completed Commercial, Contract Management and Procurement Training - Develop and grow commercial and procurement capacity skills and culture	100	101 – 150	151 – 200	201– 250
	Go live with new e-procurement system and increase local supplier registration. Number of local suppliers registered on e-procurement system – Maximising public benefit	90	91 - 150	151 – 200	201 - 250

