

# Lancashire Fire and Rescue Service Procurement Strategy 2024-2027

## Executive Summary

The future and shape of procurement will change significantly as a result of the Government's paper 'Transforming Public Procurement' which aims to speed up and simplify procurement processes, place value for money at the heart of procurement, and unleash opportunities for small businesses, charities and social enterprises to innovate in public service delivery.

Effective contract and procurement management will be essential in order to become best in class in a process that involves all aspects of business operation and support. It will have a significant impact on the delivery of value for money and efficient use of resources; therefore, it is vital that all procurement activities are managed effectively, and procurement personnel are well trained and highly professional.

The delivery of our Procurement Strategy has given us a firm platform with robust processes and procedures to support the vision within our Community Risk Management Plan (CRMP), supporting our communities and ensuring the cost-effective use of resources with efficient and effective procurement. We are already building on this platform by creating a positive procurement culture founded on sound business ethics. As a key enabler to business success, we now look to advance and build upon our procurement activities through our new Procurement Strategy.

This three-year Procurement Strategy builds on the success of our previous strategy and has given us a firm platform with robust processes and procedures to support the vision within our Community Risk Management Plan 2022-2027. We are already building on this platform by creating a positive procurement culture founded on sound business ethics.

The Strategy reflects national and local policies and includes our approach to collaboration and partnerships, suppliers' fair working practices and ethicality, sustainability, climate change, corporate social responsibility, and the development of Small and Medium-sized Enterprises (SME) and third sector organisations.

Overall, it will support the delivery of a cost-effective high-quality service that considers a more strategic role for procurement which:

- Takes cognisance of the national procurement agenda and policy as well as the Authority's local priorities within the CRMP.
- Supports the objectives within the Fire Commercial Transformation programme.
- Provides a framework for best value and continuous improvement.

## Core Priorities

The Lancashire Fire and Rescue Service Community Risk Management Plan sets out the direction of the Service and how it will continue to make Lancashire safer through the core strategies.

Our core priorities, throughout the service, are the areas we focus our activities and resources on, these are identified within the Annual Service Plan (ASP) under the following categories:

- Preventing fire and other emergencies from happening.
- Protecting people and property when they happen.
- Responding to fire and other emergencies quickly and competently.
- Valuing our people.
- Delivering value for money.

## Core Values and Code of Ethics

Our STRIVE values and the national Core Code of Ethics guide the professional behaviours expected of all our staff to ensure our workplace is one where everyone feels valued, included, and able to reach their full potential. Our service “STRIVE” values underpin everything we seek to achieve:

- Service
- Trust
- Respect
- Integrity
- Value
- Empowerment

## **Our Procurement Principles and the Organisations we seek to work with**

Fundamental to this Strategy are our Procurement Principles which guide the Authority as to how procurement is conducted and the organisations we seek to work with; whether contractually or through an alternative arrangement. The Authority's approach to procurement is set out in the following principles.

### **We will**

- Ensure we are professional, effective, and efficient and deliver a flexible, cost effective and fit for purpose support service to internal customers.
- Deliver value for money using whole life costing via modern, economically, and socially responsible practices, ensuring fairness and transparency.
- Maximise sustainability and embrace collaborative opportunities in all procurement activity.
- Provide opportunities to local and SMEs (small to medium enterprises) suppliers to participate by increasing visibility of procurement plans and opportunities.
- Strive to deliver cost savings and efficiencies.
- Monitor and measure procurement performance, promoting continuous improvement.
- Improve stakeholder and supply chain engagement.

Our STRIVE values and the national Core Code of Ethics guide the professional behaviours expected of all our staff to ensure our workplace is one where everyone feels valued, included, and able to reach their full potential. We also seek to work with organisations that support our values and ethics, specifically in the following areas:

### **Equality and Diversity and Inclusion**

Promoting equality and diversity throughout the procurement process and supply chain is a crucial objective for the Authority. Fairness, transparency, honesty, integrity, impartiality, and objectivity must be evidenced in all procurement decisions.

### **We will**

- Ensure compliance with the requirements of the Equality Act 2010 is mandatory and will be considered appropriately in procurement processes, ensuring that consideration is given to ensure that suppliers follow best practice and adhere to the principles of no discrimination in regard to age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation.

### **Social Value**

Compliance with the requirements of the Social Value Act 2012 is mandatory and requires the Authority to take into account economic, social, and environmental well-being in connection with public sector contracting arrangements (where appropriate). Our aims are:

- To further our sustainable procurement objectives to protect and enhance the environment, e.g. by reducing waste, limiting energy consumption, and procuring materials from sustainable sources.
- To promote the local economy by supporting micro, small and medium sized enterprises, and the voluntary and community sector in Lancashire to thrive, and by doing so promote training and employment opportunities for the people of Lancashire.
- To involve local people and organisations in how we meet the needs of local communities through the commissioning cycle and procurement process.

### **We will**

- Involve local people and organisations in determining social value outcomes by beginning engagement and/or consultation at the earliest possible opportunity in a commissioning/procurement process.
- Agree proportionate and relevant social value outcomes with the marketplace at pre-procurement stage and ensure that they are linked to our priorities.
- Apply a methodology that ensures a proportion of the quality element of the price/quality ratio will be allocated to social value, when it is identified in the commissioning/procurement process that additional social value outcomes are relevant and appropriate.
- Work with internal staff, the marketplace, and communities to improve understanding of social value, our Policy and evaluation methods.
- Maximise local spend within both Lancashire and the North West region whenever permissible to do so.

### **Modern Slavery**

Modern slavery is a criminal offence under the Modern Slavery Act 2015 and can occur in various forms, including servitude, forced or compulsory labour and human trafficking. All of these involve the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain. The Authority is committed to acting ethically and with integrity with a zero-tolerance approach and to implementing and maintaining effective systems and controls to ensure that Modern Slavery is not taking place in our supply chain.

### **Environment**

The Fire Authority endeavours to purchase through contractors, service providers and suppliers who are committed to continuously working to improve environmental standards in the supply chain. It is keen to see food procured from suppliers that are able to demonstrate at least minimum animal welfare standards.

## Ethics

We seek to work with organisations that support our values and ethics. We expect the organisations we work with to maintain high standards of integrity and professionalism in their business dealings as well as adhering to the laws of the countries where they operate, specifically:

- Instil a culture of fairness, teamwork, engagement, accountability, and enjoyment.
- Have a written plan to work towards paying the Voluntary Living Wage. Promote fair contracts of employment, deploy recruitment and employment practices that identify and support talent, value diversity and inclusion and promote aspiration and social mobility.
- Commit to the delivery of excellent working conditions, high ethical standards, positive health and wellbeing, training, development, and reward opportunities for all.
- Acting with integrity and transparency.

The Strategy will focus on four key themes over the next three years:

- Theme 1. Commercialisation and working collaboratively.
- Theme 2. Contract Management and Risk Mitigation.
- Theme 3. Responsible and Ethical Sourcing.
- Theme 4. Improvement and Innovation.

## Theme 1 – Commercialisation and working collaboratively

**Core Priority: Delivering value for money.**

**Procurement Objective: To secure value for money in the procurement of goods and services through the enhancement of our strategic partnerships.**

Our commitment to securing value for money in our procurement activities is clear and evidenced through the use of a mixture of local and national collaborations, partnering, shared services and frameworks. Our Partners include other Fire and Rescue Services, Emergency Services and Local Authorities.

We are committed to the National Fire Commercial Transformation Programme and consider call off contracts from established Frameworks in all our procurements.

We work collaboratively to ensure that a pipeline of sourcing activity and contract information is constantly shared to identify and deliver potential collaborative opportunities and good practice.

Going forward we will continue to work with Partners to better understand the growing complexities of and the need for resilience within our global supply chains, manufacturing techniques and advances in technology.

The Authority is mainly funded through local sources of finance; Council Tax from local taxpayers and Business Rates collected from local businesses. Therefore, spending our money with local suppliers provides additional economic benefit to the local economy which in turn provides greater financial sustainability for the Authority.

### **We will**

- Use our procurement expertise and commercial acumen to explore income generation opportunities and the potential for joined up public services. By continuing to work with Partners we will ensure resources are applied efficiently, needs are understood, knowledge is shared, and innovative solutions are implemented.
- Continue to demonstrate collaboration throughout our supply chains by publicising our procurement pipeline; engaging with local and regional suppliers and adopting a strategic approach to regional procurement.
- Review our procurement processes and contract standing orders to establish how we improve our support to local/SME and Voluntary, Community and Social Enterprise (VCSE) suppliers.

## Theme 2 - Contract Management and Risk Mitigation

**Core Priority: Delivering value for money.**

**Procurement Objective: To ensure more efficient and effective contract management arrangements.**

Contract management is vital to service performance as it promotes quality, value for money, innovation, agility, and flexibility in the delivery of services. It also provides opportunities to decrease risks and carbon emissions and increase social value, innovation, and resilience.

As we increasingly procure on a more collaborative basis, it is vital that we continue to adopt robust contract management that is proportionate and ensures considerations of strategic, political and community impacts. This will include the use of a balanced scorecard to measure both 'hard' data, such as KPI performance, and 'soft' measures such as levels of customer satisfaction and relationships.

Going forward our contract management arrangements will continue to focus service delivery on quality performance, making efficiencies and achieving cost reductions, increasing social value opportunities, decreasing environmental footprint, mitigating risks, increasing resilience, and harnessing continuous innovation and change.

### We will

- Review our contract management arrangements against best practice.
- Consider our approach to managing our strategic and tactical contracts based on risk. This may involve directing our time and efforts to contracts where the risks and rewards are highest.
- Consider incorporating opportunities for creating social value into all relevant contracts, encouraging our suppliers to offer opportunities for employment, training, and work experience within local communities.
- Build on and improve our governance and due diligence arrangements regarding modern slavery; health and safety and good working practices pre and post tender.

## Theme 3 - Responsible and Ethical Sourcing

**Core Priority: Delivering value for money.**

**Procurement Objective: To enhance our approach to sustainable procurement.**

Achieving value for money in public procurement remains focused on securing the best mix of value, quality, and effectiveness. Awarding criteria in future will include consideration of environmental benefits.

Using a circular procurement approach involves keeping resources in use for as long as possible, extracting the maximum value from them whilst in use, then recovering and regenerating materials at the end of serviceable life.

Our aim is that we will procure sustainably in a way that achieves value for money on a whole life basis and generates benefits not only to our organisation but also to the environment. This will involve us having a greater understanding of the potential environmental impacts because of our purchasing decisions.

We will work with suppliers, service providers and collaborative colleagues to reduce our carbon footprint in line with developing commitments both locally and nationally.

This will include measurement and reduction of carbon emissions towards Net Zero ambitions as well as carefully considering specifications and standards with a total lifecycle approach to consider the long-term impact.

### **We will**

- Develop working across the business we will identify opportunities to maximise value from products and services for as long as possible and make use of sustainable material (circular procurement).
- Encourage suppliers to reduce their environmental impact and gain certification to relevant accreditation schemes.



## Theme 4 – Improvement and innovation

**Core Priority: Delivering value for money.**

**Procurement Objective: To deliver a faster, leaner, fairer, and more effective procurement service.**

We want a Procurement Function; that is 'fit for purpose', agile, fair, and transparent - a function that is working towards being 'best in class'.

As an organisation, we are committed to lifelong learning and continuous professional development. We will continue to identify learning opportunities within our procurement environment and supply chain and share our knowledge widely.

Our professional procurement staff will continue to have access to a broad range of development and experiences to enhance their learning in the procurement field.

Digital transformation and modern, innovative procurement approaches will be explored with the overall aim of streamlining business systems, adopting leaner processes, removing bureaucracy, and increasing the efficiency and quality of our service.

Continuous improvement will underpin our service delivery model. We will have a better understanding of service effectiveness through the development and adoption of standards in relation to response and quality.

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The role of procurement as an influencer to innovation and change is increasing within the fire and rescue sector. Early procurement involvement; market engagement, collaboration and innovative supply solutions are key in this.

Our Procurement team will continue to be a facilitator of change within the Service in that it will continue to work across the organisation and our supply base to identify opportunities for change and harness opportunities from specialist and innovative service providers.

### We will

- Develop a suite of response, quality, and competence standards for our procurement services.
- Undertake a review of the Procurement function to ensure the skills and expertise are aligned to the needs of the Service.



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and Rescue Service



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