

SHAP WMHOG RESEARCH 2017/2018

West Midlands Smart, Sustainable Procurement Model

Scope of the proposed work

The objective – To Prepare a Guide to Smart Sustainable Procurement involving an approach that takes into account the MEAT approach – Most Economically Advantageous Tender – that balances cost against other considerations including quality, price, technical merit, aesthetic and functional characteristics, environmental characteristics, running costs, cost effectiveness, after sales service, technical assistance, delivery date and delivery period and period of completion. The process should ultimately be more efficient and have greater overall social, environmental and financial benefits than existing procurement processes. **The rationale is that a procurement process can be made more effective and efficient and provide stronger outcomes given a different approach by the client.** Therefore, when endorsed and managed by an 'Intelligent Client' and given appropriate timescales and contextual circumstances, the following could be achieved:



In 2015 SHAP's 'Procurement' Task and Finish Group concluded that successive changes in policy and funding affected the ability of Local Authorities and the social housing sector to make best value procurement decisions due to a range of procurement practices/policies, thereby highlighting perceived risk and confusion within the supply chain. This project allows for the final pieces of work to take place to test and produce the following work stages:

1. Bring together and summarise Government policy and published legal advice on Early Market Engagement to make it useful to end users
2. Produce a new draft model for Sustainable Smart Procurement
3. Seek legal advice on the proposed model
4. Test the model by working closely with one or more teams on selected procurements
5. Report on the results

Output

A procurement model that provides an alternative to business as usual procurement and identifies appropriate timescales, processes and activity stages to deliver long term beneficial outcomes.

How will it be applied and by whom

The model will provide a more robust process for achieving desired outcomes from investment in new housing development by Local Authorities, social landlords and the housing sector generally.

The model will be tested with an existing social housing developer who is interested in the proposal.

Added value

Local Authorities, including those not developing their own new housing can also apply the model to procurement of any goods or service associated with securing improved outcomes from investment in the housing stock through working with the health sector, private sector developers and private rented sector stockholders.

This work relates to the delivery of housing to be developed to a new West Midlands standard for high quality affordable housing that SHAP is also proposing to develop with WMHOG support.

Proposed Methodology

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- Report on the results