

T&W status against National Procurement Strategy

Theme A - Making Savings

1 Category Management

Outcomes

Category management helps councils to make savings by maximising value from areas of spend

Councils achieve savings through developing and using more standard

specifications for appropriate goods and services

A broad understanding of the local government supply market is gained through appropriate spend and supplier analysis

	Requirement not in place and/or acceptance of recommendation to be reviewed
	Council partially meets requirement, evidence not available
	Council meets the requirement and has evidence available

Recommendations for single tier or county councils

	Current	Desired	Comment
1a	Set out the rationale for a category management approach in the corporate procurement strategy		Procurement is devolved across the Council however there are pockets of Cat Man in Social Care, Highways and Facilities Management
1b	Invest in category managers or, as a minimum, commit to the outputs from the national or regional strategies where appropriate		Regional Cat Man strategies for social care are being implemented
1c	Identify the main spend categories in their council and have a clear category management strategy in place to ensure value for money		Social Care - CatMan in place
1d	Review existing framework arrangements at early stages of procurement to reduce duplicated effort		This is evident in Domiciliary care, ICT provision and Print
1e	Recognise the benefits from engaging with a national approach and ensure timely publication of data to ensure a robust analysis can take place		The Procurement flow chart encourages officers to seek regional and National frameworks as an option for VFM procurement and consider the output in a wider social value context

2 Partnering and Collaboration

2a	Set out the approach to partnering and collaboration in the corporate procurement strategy		The Procurement Flow chart picks this up with information advice and guidance around collaboration
2b	Explore opportunities to procure through existing routes to market and each key procurement is objectively justified		Each Procurement over £10k has a procurement plan which prompts the lead officer to explore and evaluate options
2c	Set targets for savings or income generation from collaborative spend		Savings targets are set from a variety of procurement opportunities
2d	Consider the business case for new models of delivering procurement services		Creating one team with matrix management to cover places and people procurement
2e	Maximise the use of all available procurement resources including across council boundaries		Regional collaboration on care and commodity frameworks

3 Contract and Supplier Management

3a	Contract management is part of the responsibilities of the councillor champion			supports the quartly procurement intentions report to champion robust procurement and justify spend
3b	Integrate contract management within the council's procurement and commissioning models			
3c	Invest resources in developing and sustaining a capacity for good contract management			Ongoing - training held and Contract Management on a page in place for all contracts on the contracts register
3d	Demonstrate efficiency savings through better contract management			will be an outcome of budget savings exercise
3e	Scrutinise strategic contracts post award and ensure benefits are achieved			
3f	Monitor and enforce internal compliance to 'on contract spend'			
3g	Understand key suppliers and develop and implement performance indicators that are aligned with business outcomes			In place with some - Veolia and TWS
3h	Identify second tier spend and activity for high value/high risk contracts			
3i	Develop and agree exit strategies within all major contracts			as per 3g
3j	Expect main contractors to act fairly with supply chains and mandate timely payment to sub contractors through contract clauses			

4 Performance and Transparency

4a	Put systems in place to map contracts, measure spend, collect feedback and measure the benefits achieved			In some places this is evident
4b	Engage with regional or national information and data sharing			
4c	Insist on transparency throughout the supply chain			
4d	Set savings targets that are performance managed			
4e	Publish data in relation to contracted-out services in accordance with the Transparency Code			
4f	Ensure the rights to the data created as a result of a service being contracted out remains with the council			
4g	Extend the requirement to publish information on performance and costs to contractors			

5 Risk and Fraud Management

5a	Risk management should be integrated into Procurement processes. It is considered early, discussed with suppliers and regularly monitored			
5b	Identify strategically important (high value and/or high risk) contracts on the risk register and regularly monitor both by officers and members			
5c	Proactively audit contracts to check for fraud			
5d	Include whistleblowing policies as part of contract conditions			
5e	Require main contractors to mirror these policies in their subcontracting arrangements			

6 Demand Management

6a	Councils build in a demand management approach before procurement begins			
6b	Ensure procurement and commissioning strategies and processes take account of demand management techniques			
6c	Involve procurement teams at an early stage in developing alternative ways to meet demand			

Theme B - Supporting Local Economies

Outcomes

Councils gain maximum value from procurement through inclusion of economic, environmental and social value criteria for goods, services and works.
 Councils reduce waste by making sustainable choices when procuring products and services - helping them to cut costs, and meet social, economic and environmental objectives

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1 Economic, Environmental and Social Value

- 1a An officer social value champion is appointed and provides leadership on issues relating to social value
- 1b Social value opportunities are assessed in all tenders, including those below the EU thresholds and for goods where appropriate
- 1c Bidders are requested to demonstrate community benefits through the whole supply chain
- 1d Consider and describe how the economic, social and environmental well-being of communities can be improved
- 1e Ensure that social value requirements do not cause unintended consequences (e.g. apprentices being unable to complete their apprenticeships as contracts always require "new" apprentice places to be created)
- 1f Take account of the powers in the EU regulations that encourage use of mutuals, social enterprises and supported factories
- 1g Build in sustainability into the whole procurement cycle
- 1h Social, Economic, Environmental assessments are undertaken for each procurement project
- 1i Consider ethical issues, including fair pay, zero hours contracts, child labour and animal testing throughout the supply chain

Current	Desired	Comments

2 Improving access for SME's and VCSE's

Outcomes

A wide range of suppliers are encouraged to do business with councils through use of portals to advertise tender opportunities
 Barriers to doing business with the council are removed without compromising due process
 SME's and VCSE's are able to identify potential 'partners' with whom to form consortia to bid for council contracts

Councils identify forward spend wherever possible and use this data to inform pre-market engagement and supplier planning

2a	Identify all procurement opportunities through local or regional portals and national portals where appropriate		
2b	Encourage suppliers to sign up to regional and national portals as appropriate		
2c	Ensure websites make it clear which portals are being used to advertise tender opportunities and how suppliers can register		
2d	Measure the amount of local spend as a way of identifying and reducing the barriers for smaller organisations in bidding for council contracts		
2e	Engage with local umbrella bodies such as FSB to ensure that procurement and engagement strategies will not inadvertently discourage suppliers		
2f	Ensure procurement processes are not overly-rigid, cut off from day to day service provision or contain disproportionate requirements (e.g. insurance levels)		
2g	Require prime contractors to report any failure to comply with payment terms and mandate payment by suppliers to their subcontractors be no greater than those in the primary contract, through contract clauses		
2h	Engage with single, simplified PQQ's such as PAS91 for construction		
2i	Learn from and engage with the supply base and other councils on a regional basis through hosting market days for future projects		
2j	Ensure that lotting strategies do not create unwanted barriers for smaller businesses		
2k	Engage in proactive pre-market engagement with the supplier base and through the commissioning process with users and advocates		
2l	Allow sufficient time in the procurement process for suppliers to form consortia		
2m	Make suppliers aware of trading opportunities and secure their input and expertise		

Theme C - Leadership

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Single cohesive voice

Outcomes

Central Government policy takes into account the needs and differences of local government because local government procurement speak clearly with one cohesive voice

- 1a Engage with networks to encourage discussion and input into NAG as a national voice
- 1b Join with PBO's to showcase and share good practice to influence Government and the wider public sector

Current	Desired	Comments
		T&W Chair the West Midlands Heads of Procurement Board

Commitment from the top

Outcomes

- Procurement is recognised as strategically important by chief executives, members and senior officers within local authorities
- Procurement is supported in each authority through the appointment of a councillor champion
- Best overall value has been considered in all council's addressable third party spend
- Procurement is a driver to implement council policy

- 2a Overall strategic responsibility for procurement rests at Director level and councils are committed to a strategic approach to procurement and delivering outcomes
- 2b Ensure there is a strategic alignment of procurement with Finance Director/s151 Officer or Director of Business Transformation
- 2c Provide periodic updates to senior managers and elected members on implementation of good practice (set out in the NPS) and its relevance to the organisation
- 2d An elected member champion from the executive has procurement, commissioning and contract management as a substantial part of their portfolio
- 2e Procurement professionals influence all third party spend
- 2f Procurement professionals work closely with their commissioning colleagues to ensure best possible outcomes are achieved
- 2g The procurement strategy underpins the corporate strategy and a commitment to achieving the wider corporate objectives of the council is demonstrated

		Not Applicable

3. Commissioning

Outcomes

Councils identify strategic outcomes in relation to assessed user needs, and design and secure appropriate services
 Councils better understand and manage demand through the commissioning process to better

		Current	Desired	Comments
3a	Use a strategic commissioning approach to appraise new service delivery models			
3b	Procurement and Commissioning staff work together to ensure best outcomes for service users			
3c	Demonstrate a willingness to move to multi-functional delivery			
3d	Set out a corporate approach to decommissioning services that includes: clear objectives, co-produced products and strategy, communications strategy, timescales and timetable, risk management and defined roles for those involved			

4. Procurement Training

Outcomes

Councils build better procurement competencies across the organisation by ensuring staff are equipped with the
 Councils are more influential with suppliers through taking a more commercial approach to procurement
 Council officers understand and implement the flexibilities afforded by the new EU Procurement Directives

4a	Invest in officers having the professional, leadership and interpersonal skills required to deliver council objectives through better procurement			
4b	Implement a development programme that takes into account the new context and models for good procurement			
4c	Encourage councillors to engage with procurement and commissioning training being offered through the LGA Leadership Academy			
4d	Invest in developing commercial skills including costs and profit, the market and service quality, relationship building and negotiation skills			
4e	Engage with training on new EU Procurement Directives			
4f	Cascade training where appropriate across the council and to districts			cascaded into Parishes

Theme D - Modernisation

	Requirement not in place and/or acceptance of recommendation to be reviewed
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	Council meets the requirement and has evidence available

Outcome

Councils procurement staff are more commercially minded, and understand and realise benefits from all funding streams including how contracts can be developed to generate income

1 Commercialisation and income generation

Current	Desired	Comments

- 1a Invest in training and developing commercial acumen for new and existing staff
- 1b Develop forward savings and income generation plans

Outcomes

Suppliers are able to demonstrate innovation through all stages of the procurement cycle

2 Supplier innovation

- Use early market engagement, and set out well-structured procurement processes, to
- 2a allow for innovative approaches to be put forward
- 2b Harness and proactively encourage supplier innovation
- 2c Develop and run innovation workshops with supply base
- 2d Ensure terms and conditions are flexible enough to allow for changes in technology during the life of the procurement
- Use outcome-based specifications that include the minimum technical and performance requirements and focus on a statement of the problem that needs to be solved
- 2e

Outcomes

Councils increase efficiency and productivity and realise full benefits through the use of Use of e-invoicing helps councils and suppliers streamline administrative processes and improves

3 Using technology

- 3a Use electronic means for tendering processes in line with EU Directives
- 3b Work with suppliers to encourage a move to more e-business
- 3c Outline the benefits of e-invoicing to suppliers helping them to do business electronically
- 3d Implement e-invoicing and move quickly to realise benefits of 100% take-up
- 3e Set a performance target and report on value and time to pay via e-invoicing
- 3f Consider making e-invoicing a contractual requirement

Outcomes

Council procurement process are quicker, simpler and less costly to run through use of the new

4 EU Directives

- 4a Take full advantage of the free face to face and e-learning available through CCS Cascade training to council officers and elected members outside of the 'procurement team'
- 4b
- 4c Maximise the flexibilities afforded in the new EU Directives

Recommendations for single tier or county councils

Theme A Making Savings

		Current	Desired	Comment and remedies
1a	Set out the rationale for a category management approach in the corporate procurement strategy			Procurement is devolved across the Council however there are pockets of Cat Man in Social Care, Highways and Facilities Management. The Council's spend doesn't warrant full scale CatMan but does take advantage where it can and through regional collaboration. The CatMan approach has been built into the procurement plan to support officers in their procurement decision making
2c	Set targets for savings or income generation from collaborative spend			Savings targets are set from a variety of procurement opportunities - these are progressed through the service areas savings plans which are reviewed by Cabinet
3c	Invest resources in developing and sustaining a capacity for good contract management			Ongoing - training held and Contract Management on a page to be in place for all contracts on the contracts register by Summer 2016
3d	Demonstrate efficiency savings through better contract management			This will be an outcome of budget savings exercise and the contract management on a page - reliant on officers reporting savings in to finance
3e	Scrutinise strategic contracts post award and ensure benefits are achieved			Ongoing - training held and Contract Management on a page to be in place for all contracts on the contracts register by Summer 2016
3g	Understand key suppliers and develop and implement performance indicators that are aligned with business outcomes			In place with key providers Veolia and TWS. Further key suppliers to be identified through the contract management process who are the suppliers that relationship management can be formed with - Summer 2016
3i	Develop and agree exit strategies within all major contracts			as per 3g

Theme C Leadership

2g	The procurement strategy underpins the corporate strategy and a commitment to achieving the wider corporate objectives of the council is demonstrated			Procurement Strategy under review to be reissued Summer 2016
4a	Invest in officers having the professional, leadership and interpersonal skills required to deliver council objectives through better procurement			Ollie course now available and ongoing training through blended learning to meet all needs
4b	Implement a development programme that takes into account the new context and models for good procurement			Ollie course now available and ongoing training through blended learning to meet all needs
4c	Encourage councillors to engage with procurement and commissioning training being offered through the LGA Leadership Academy			This will be highlighted to Officers in the March 2016 update
4d	Invest in developing commercial skills including costs and profit, the market and service quality, relationship building and negotiation skills			Ongoing training through Blended learning to meet all needs

Theme D Modernisations

2e	Use outcome-based specifications that include the minimum technical and performance requirements and focus on a statement of the problem that needs to be solved			working regionally to see what this means. Very little evidence of this currently in place to learn from. Will bring risks and will impact on contract monitoring - aspiration to move to OBS by Autumn 2016
3d	Implement e-invoicing and move quickly to realise benefits of 100% take-up			The Council can accept invoices via various e-Methods BUT once inside the council no ability as yet to enable data transfer into the data capture system Version 1- to be reviewed by Spring 2016
3f	Consider making e-invoicing a contractual requirement			If our system were able to manage this end to end internally but otherwise not cost effective for us to do so.