

Appendix - Report Recommendations

Westminster Procurement Services have made a number of recommendations based on our findings and the WPS Procurement Effectiveness model.

1. Develop and implement a new 3-year Procurement Strategy for 2018-21 by;

- refreshing elements from the draft "Procurement Strategy 2014-17" which was developed in July 2014 for consultation.
- creating link to the various Council and corporate policies and procedures with short, medium and long-term objectives of the function clearly identified.
- addressing the role and positioning of Procurement in the Council so that it is clear that it is a value-added service function and not an administrative service.
- clarifying the roles and responsibilities of procurement and the service functions so that the strategy can be delivered.
- communicate both internally and externally as part of a broad Communications Plan.

2. Implement a Transformation Programme and Vision for Procurement;

- fully sponsored by the executive to be a driver for change and the transformation in the Council.
- refreshing the existing programme including key milestones and measures of success.
- resourced, including Project Management support to deliver with regular reporting and highlighting of risks and issues to ensure the programme can be delivered.
- communicate both internally and externally as part of a broader Communications Plan.

3. Implement a centre-led commercially focussed procurement function;

- with a Head of Procurement reporting to the Deputy Chief Executive and Director of Finance.
- with dotted reporting lines between the corporate centre and the Services depending on the category. For example, construction expenditure.
- including all areas of expenditure and category expertise within scope, including construction (projects) and ICT currently operating independently of Corporate Procurement Services.
- with senior management involved in setting procurement cost reduction targets and demanding results from strategic sourcing.
- adopting Category Planning, providing improved internal and external analysis of key areas of spend, market insight, suppliers and contracts.
- ensuring volumes, specifications and suppliers are fully leveraged across the Council.
- with a clear definition of what the centre-led team are expected to deliver when working in collaboration with key stakeholders and what is to be delivered at a devolved level.
- ensuring cross-functional integration throughout the process (including post procurement stages and in to Contracts Management).
- to ensure volumes in key indirect categories are leveraged across the Council.
- to ensure that procurement activity complies with the Public Contract Regulations 2015; is not being disaggregated resulting in lost savings, or increasing the risk of legal challenge.
- ensure Council policy are being applied for example, in relation to SME's.
- ensure that common commercial terms are leveraged, and any poor performance is being monitored and reported where the same suppliers are being utilised across the Council.

- to ensure that devolved procurement activity is subject to the development of category strategies but still underpinned by a self-service approach.

4. Appoint a Head of Procurement who;

- reports to the Deputy Chief Executive and Director of Finance.
- provides team and organisational leadership of procurement and contracts management activities.
- ensures Procurement is engaged in all areas of spend, and is embedded in the budget setting process to identify savings and opportunities for added value.
- is actively engaged in the sourcing process.
- ensures Procurement is truly integrated with stakeholder functions and provides influence.
- owns the Contracts Management and Supplier Relationship Policy, Process and Systems.

5. Adopt a common strategic approach for all procurement activity for all tendered activity;

- utilising a common toolkit that ensure a strong fact based driven process underpinned by strong data and analytics.
- Annual and rolling sourcing plan linked to accurate and managed contracts register and budget planning process.
- ensuring requirements are developed in conjunction with procurement.
- ensuring there is an excellent understanding of key markets and trends influencing key categories of expenditure
- ensuring there is good knowledge management – allowing use of insight / data from previous sourcing activity.
- where Procurement is specifically tasked with addressing demand.
- where Procurement is focused on total lifecycle cost.
- where strategic sourcing savings are maintained and improved through ongoing monitoring and management through contracts management and supplier relationship management activity.
- where the administration of key indirect categories (e.g., Temp Staff, FM, Print, Travel) is outsourced where not already to Managed Vendors where appropriate.**Implement a common approach to Contracts Management and Supplier Relationship Management**
- adopt a single contracts register through BravoSolution as a single “source of truth”.
- adopting a framework of best practice for managing key contracts based on spend and risk the profile.
- developing and building a more commercial capability across the Services for managing contracts.
- adopting and reporting Supplier Measurement (KPIs) / Metrics to executive management for key strategic contracts.
- adopt an “Executive Supplier Board” or similar chaired by the Head of Procurement to review supplier measurement / metrics, compliance measurement of transactional suppliers, supplier performance and development opportunities.

6. To create a commercially savvy and high performing team by;

- balancing "strategic" versus "tactical" procurement activity in conjunction with other recommendations made in this report.
- ensuring all new resources are professionally qualified and commercially astute supporting a strong cadre of central category strategists.

- ensuring procurement skills clearly documented and communicated.
- implementing a training programme for both commercial and “soft skills” linked to personal development plans.
- creating a commercial ethos where annual cost reduction targets are included in objectives.
- creating opportunities for people exchange, principally with the Services to share knowledge and drive commercial best practice across the organisation.
- create Commercial Apprenticeship opportunities in order for the Council to “home grow” its own talent.

7. Adoption of improved commercial governance including;

- a review of the role of the Commercial Board and their Terms of reference to streamline and support effective decision making
- a robust but agile approach for ‘Gate Reviews’ for all procurements which will require the development of approvals for the Procurement Approach and the Contract Award.
- implementation of a programme to improve Officer accountability and decision making through training and personal development plans.

8. Approve the formal adoption of a new eSourcing Platform of choice for Belfast City Council;

- negotiating a compliant and competitive solution from the Eastern Shires Procurement Organisation (ESPO) Framework.
- subject to **Error! Reference source not found.**, consider use of on for managing procurement activity below £30,000
- adopting an eSourcing solution which optimises use of technology including flexibility to amend user permissions, building templates, on-line evaluation, supplier ranking, configuration of contract fields and contract alerts.
- adopting a single Contracts Register that gathers relevant contract information. Review data to be maintained for managing contract renewals, reviewing contract performance and general contracts management activities.