



Subject:	Commercial and Procurement Services Update
Date:	20 September 2019
Reporting Officer:	Ronan Cregan, Deputy Chief Executive and Director of Finance and Resources and
Contact Officer:	Noleen Bohill, Head of Commercial and Procurement Services

Restricted Reports	
Is this report restricted?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If Yes, when will the report become unrestricted?	
After Committee Decision	<input type="checkbox"/>
After Council Decision	<input type="checkbox"/>
Some time in the future	<input type="checkbox"/>
Never	<input type="checkbox"/>

Call-in	
Is the decision eligible for Call-in?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

1.0	Purpose of Report or Summary of main Issues
1.1	In May 2018 a report was presented to Strategic Policy and Resources committee setting out the rationale for the review of the BCC Operating Model for Procurement, highlighting the urgent nature of the review, and setting out the broad recommendations. The aim of the review was to recommend how the Council's procurement activity could be better aligned with the objectives of the Belfast Agenda.
1.2	The purpose of this report is to provide officers with an update on the implementation of the recommendations of the review and the establishment of the Council's new Commercial and Procurement Services (CPS) function.
2.0	Recommendations
2.1	The Committee is asked to:

	<ul style="list-style-type: none"> Note the activities detailed below which have been undertaken to establish the Council's new Commercial and Procurement Services (CPS) function.
3.0	Main report
3.1	<p><u>Restructure of Procurement Function</u></p> <p>In line with the recommendations of the review, the procurement function has been restructured so that it is better placed to support the delivery of the Belfast Agenda objectives. After a period of recruitment, we have created a new CPS function, which is led by the new Head of Commercial and Procurement Services and comprises the following operating units:</p> <p>Category Management Unit – responsible for ensuring all categories of third-party expenditure are managed effectively and value is maximised throughout the commercial lifecycle.</p> <p>Procurement Development Unit – responsible for developing and delivering the commercial and procurement enablers within the function and across the Council (i.e. governance, systems, policy, processes, management information and capability).</p> <p>Commercial Unit – responsible for identifying, developing and delivering income generating opportunities across the Council's commercial operations and through third-party relationships and for establishing a commercial and business-like culture.</p>
3.2	<p><u>Output based Transformational Roadmap</u></p> <p>The CPS Management Team has developed a 3-year Transformation Roadmap for the procurement function, which incorporates:</p> <ul style="list-style-type: none"> Those recommendations made as part of the review; The council's ambitions for the newly created CPS function; and Additional findings identified by the newly appointed members of the CPS team. <p>The Transformation Roadmap (Appendix 1) includes a strategic, measurable, time bound and output/outcome focused set of actions/activities.</p>

3.3	<p>The Transformation Roadmap is underpinned by an ambition to:</p> <ul style="list-style-type: none"> • Place commercial (thinking) and procurement (practices) at the heart of the Council’s decisions and operations in order to achieve better outcomes and superior value. • Contribute towards meeting the significant financial challenges faced by the Council. • Secure the best value for money by procuring the best possible services on the best terms and by driving efficiencies to deliver cashable and non-cashable benefits. • Support the Council’s commercial effectiveness, by embedding a commercial focus and driving commercial benefits from all contracts.
3.4	<p>Appendix 2 provides details the Year One priorities of the plan. A key priority will be to embed the Council’s social value aspirations into procurement processes. A report on a proposed Social Value Procurement Framework and Toolkit will be brought to Committee at a later date for consideration. The new CPS function has a key role to play in maximising income opportunities as part of the Council’s efficiency programme. One of the key tasks for the newly recruited Commercial Manager will be to develop a Commercial Framework. This framework will be about identifying, developing and delivering existing and new (and innovative) income generating opportunities across the Council’s commercial operations.</p>
	<p>Financial & Resource Implications</p>
3.5	<p>Delivered within existing CPS budget.</p>
	<p>Equality or Good Relations Implications/Rural Needs Assessment</p>
3.6	<p>No specific equality or good relations implications.</p>
4.0	<p>Appendices – Documents Attached</p>
	<p>Appendix 1: CPS 3-year Transformation Roadmap Appendix 2: Year One priorities</p>