

Appendix 1: Performance against 2015-2018 Joint Procurement Strategy

Procurement that is effectively managed and monitored complying with relevant rules both internal and external

Our Priority Objectives
1. To ensure that governance arrangements set for the procurement partnership are effectively met and the commitments set out in the SLA are delivered.
2. To ensure that all procurement is in accordance with EU rules, the Council's Contract Procedure Rules and best practice procurement
3. The councils are effectively engaged with Procurement networks and PBO's and are aware of policy developments and procurement best practice
4. Recognition of the strategic importance of procurement and a commitment from the top

	Key Actions/Projects	Comments
	1. Provide professional procurement guidance and support on major procurements and other procurement projects.	Provided as required. Examples include waste and recycling, vehicles, grounds maintenance plant and equipment, works and regeneration projects, Chorley Digital Office Park, software and IT, insurance, consultancy, concierge services and many more.
	2. Keep updated, develop and review the range of procurement guidance information available and accessible to officers on SRBC Connect and CBC The Loop	Useful Pocket Guide to Procurement and more detailed Staff Guide to Procurement are maintained and updated. Recent updates include Safeguarding Section, CPR review, new EU thresholds, Prevent Duty and information on GDPR.
	3. Maintain up to date, template standard procurement documentation and Conditions of Contract to simplify the procurement process.	Template documentation for use on the Chest is maintained by the Procurement team and adapted for individual procurements. Template Conditions are also maintained and kept updated in consultation with Legal Services. Recent updates include incorporation of GDPR.
	4. Maintain /Achieve 50% professionally qualified procurement employees (FTE's) as a % of total procurement employees.	100 % Achieved. Both the Principal Procurement Officer and Procurement Officer are MCIPS qualified.
	5. Attend and contribute to regional events and other procurement networks to ensure visibility, input and awareness into developing policy and best practice	Members of the procurement team have attended various events including i-network, training events and Regional Chest meetings where these are considered relevant and useful and resources permit.

	Key Actions/Projects	Comments
	6. Procurement officers to attend and take advantage of free face to face and e-learning on the new EU Procurement Directives.	This was a one-off event and was attended by the procurement team.
	7. Regular reporting to the Shared Services Joint Committee	Completed through the routine performance monitoring reports
	8. Adopt a strategic commissioning approach where appropriate, to appraise new service delivery models and procurement and commissioning staff work together to ensure best outcomes for service users	<p>Commissioning can be defined as “Assessing the needs of the population in an area, designing and then securing the delivery of services’. Commissioning is therefore usually about securing services and has its origins in health and social care. At Chorley a commissioning approach was adopted for the commissions for advice service (covering debt), older people, children and families, community safety and vulnerable adults (women). This included completion of a needs analysis, with contracts designed and procured and monitored to ensure those needs are met.</p> <p>SRBC have, and are, carrying out extensive analysis and research in order to improve health and wellbeing which is a key priority and this work has led to the development of the Campus programme. Additionally the commissioning of the Young Persons Housing Advice Service and also the Floating support service was undertaken following the homelessness review in 2016 and the production of the new homelessness strategy in 2017.</p>

Procurement that engages all buyers/commissioners, is market aware and delivers sustained competitiveness and value for money

Our Priority Objectives

5) To contribute to the achievement of the Councils’ Targets for efficiencies

6) To deliver an efficient and effective joint procurement service which maximises efficiency for joint procurement, using a category management approach and taking advantage of collaborative working with partner organisations where appropriate.

	Key Actions/Projects	Comments
	9. Maintain a clear picture through procurement planning and spend analysis of the procurement landscape at both authorities to identify key action areas and collaborative opportunities	Spend analysis has been completed at both authorities and presented to ELT/SMT. The Transparency Contracts Register is circulated quarterly for departmental review and update prior to publication. Whilst this provides a prompt and alert to contract status, provision of procurement planning

	Key Actions/Projects	Comments
		information from individual departments has been inconsistent. Work is now being planned and undertaken to create and implement a contract management system which will assist the planning process.
	10. Adopt a category management approach to make savings by maximising value from areas of spend.	Spend and supplier analysis has contributed to standardisation and grouping of products in some cases across both CBC and SRBC into collaborative single quotation activity e.g. Personal Protective Equipment, and Janitorial products. Additionally all software and IT services contracts at SRBC have now been brought under the responsibility of IT for maximum value and control.
	11. Review and maximise the use of framework agreements and collaboration arrangements with other partners and PBO's where they are competitive, to deliver efficiencies and reduce duplication	Frameworks used extensively where they offer best value at both SRBC and CBC, examples include vehicles, IT software and services, stationary and wheeled bins.
	12. Work towards the achievement of a Procurement savings target of £100,000 cumulative savings per authority over the 3 year strategy life.	Savings target exceeded at both authorities.
	13. Ensure effective contract management of key contracts measuring contract outputs and key performance indicators to ensure competitiveness over the life of the contract	Contract management of key contracts is undertaken by individual Contract Managers at both authorities. Additionally, at CBC, performance of key partnerships is monitored, and performance against targets, together with an assessment of financial strength and any emerging issues, is reported annually to Executive Cabinet.
	14. Carry out an annual User Survey across both Councils to monitor satisfaction with the procurement service. Target 90% Satisfaction	100% satisfaction achieved in each of the last three surveys

Procurement that is inclusive, sustainable and socially responsible

Our Priority Objectives
7. To encourage a wide range of suppliers by removing barriers and improving access to our procurement opportunities.
8. To ensure that small firms are not unfairly excluded from bidding for council business.
9. To reduce the negative effect on the environment of the products and services we buy.
10. To gain maximum value from procurement through consideration and inclusion of economic, environmental and social value criteria in contracts

	Key Actions/Projects	Comments
	15. Balance local needs, environmental and social value factors with delivering value for money and ensure relevant procurement exercises incorporate sustainability as appropriate within the specification and evaluation criteria	Examples include vehicles, some regeneration and works projects and services contracts.
	16. Consider how best to obtain social value in all services contracts above the EU threshold.	This is considered and incorporated as appropriate, e.g. waste contract. Both Councils have also included social value criteria in other below threshold contracts.
	17. Wherever possible and practical (within legal constraints), support local and third sector suppliers by encouraging them to engage in appropriate procurement exercises.	<p>A number of arrangements are in place to make the Council's procurement opportunities widely available and accessible to local suppliers, SME's and third sector providers including:</p> <ul style="list-style-type: none"> • publication of a Selling to the Council Guide, • use of the Chest e-tendering system (which is free of charge for suppliers) with information and a link to the Chest on the Council's web site. • inviting at least one local supplier (often more) wherever possible when inviting quotes. This is a requirement of both Councils Contracts Procedure Rules, <p>Additionally, during the life of this strategy the procurement team have attended and presented at a business event for local suppliers hosted by SRBC and have also provided information for a subsequent Central Lancs event.</p> <p>Examples of contracts with the VCFS sector include: SRBC : Provision of housing advice (Key), Interim, Accommodation (New Progress H.A.), A Place to Live (Methodist Action), Specialist Intensive support (Refugee Action), Sanctuary Scheme (Preston Care & Repair)</p> <p>CBC: Indoor Leisure (Active Nation), Handyperson services (Preston Care and Repair), Young person drop in service (Key), Support service for older people (Age UK), Children's & family support service (Home Start Central Lancs), Support service for vulnerable adults, women (Chorley Women's Centre)</p>
	18. Maintain an up to date Selling to the Council Guide and procurement area on the Councils' respective websites, providing simple and clear instructions on how to access procurement opportunities and	Published on both CBC and SRBC websites,

	Key Actions/Projects	Comments
	signposting suppliers to the Council's e-procurement portal.	
	19. Ensure that procurement mandatory Transparency requirements are adhered to including publication of a Contracts Register	Updated register published quarterly on both CBC and SRBC websites.

Procurement that works with partners and suppliers to everyone's advantage and exploits the benefits of technology

Our Priority Objectives
11.To increase efficiency and productivity and realise full benefits through the use of appropriate e-procurement solutions in procurement processes
12.To understand and take advantage of commercial opportunities and realise benefits from all funding streams including how contracts can be developed to generate income..

	Key Actions/Projects	Comments
	20. Issue all Tender and Quotations above £10,000 through the North West's regional e-procurement portal "The Chest"	Tenders and quotation above £10,000 have been published through the Chest portal in accordance with Contracts Procedure Rules. SRBC updated their CPR's with effect from 28.9.17 and at that point this threshold increased from £10,000 to £20,000 at SRBC only.
	21. Engage in the Cumbria led regional procurement to replace the current regional e-procurement portal framework	This was completed and a further 4 year contract with up to 4 x12 month extension options, was awarded for the Chest including migration to Version 3.
	22.Consider the potential for commercialisation and income generation from procurement activity where appropriate	A simple example is the charging for and generation of income from garden waste through the delivery of the main waste contracts. Also at Chorley, the procurement and expansion of Market Walk and construction of Primrose Gardens will generate income for the Council whilst providing services and benefits to the community. At SRBC the Council is working with its waste contractor to further develop the depot and servicing facilities to facilitate operation of both the CBC and SRBC contracts from there, sharing resources, reducing costs and generating additional income. The Council has also identified investment in commercial property as an opportunity to increase income, agreed an Investment Property Strategy and has procured expert external advice to identify investment opportunities. Additionally, the procurement to upgrade the civic centre to provide quality conference meeting and function space was designed to maximise income and experience from external customers in addition to facilitating internal meetings.

	Key Actions/Projects	Comments		
	23. Upgrade scanning software to introduce Automated Invoice Processing to automatically interface any e- invoices that are attached to e-mails (By 1.4.15)	The Scanning Software was upgraded in 2015, since implementation ALL electronic invoices are now processed automatically by emailing invoice attachments to Kofax the financial system interface		
	24. Establish a baseline and target to increase the number of invoices received by e-mail (By 1.4.15)	This target has not been measured. The financial system does not differentiate how invoices are received (paper or electronic) and any recording therefore would need to be a manual process.		
	25. Achieve CBC/SRBC Combined PI Targets as per the Annual Shared Financial Services Business Improvement Plan of:	15/16	16/17	17/18
	*95% Payment by electronic means (BACS)	99.37	99.55	99.65
	*99% of suppliers invoices paid within 30 days	99.43	98.15	98.80
		16/17 & 17/18 were marginally under target due to a turn-over of staff in both the accounts payable team and key managers responsible for approving invoices. A change in personnel had an impact on those departments where there are high volumes of invoices e.g. property services. Progress to meet the targets were further hampered in 17/18 due to the Banking industries changes to account numbers and sort codes, a high volume of creditors changed their bank account details over a short period of time which led to an increase in fraudulent activity nationally, robust controls were in place to accommodate these changes		
	80% of suppliers invoices paid within 10 days	86.59	83.26	83.64
	100% of remittances to suppliers by electronic means	95.32	95.96	98.25
	Following a review within the creditors function it was decided that the dispatch of paper remittance advices (to creditors without e-mail addresses) strengthened system control by reducing the potential risk of using incorrect bank account details. The target was subsequently reduced to 95% to make allowances for the necessary dispatch of paper remittances as part of the accounts payable controls when dealing with a potential risk of incorrect bank details, for example creditors without an email address or a potentially incorrect email address			