

Putting the Community First



Commercial Workshop

Delivering Value in Procurement Childrens Services

KEVIN BATES – Head of Procurement
SAJIDA KIYANNI – Business Relationship Manager

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www.barnet.gov.uk



INVESTOR IN PEOPLE

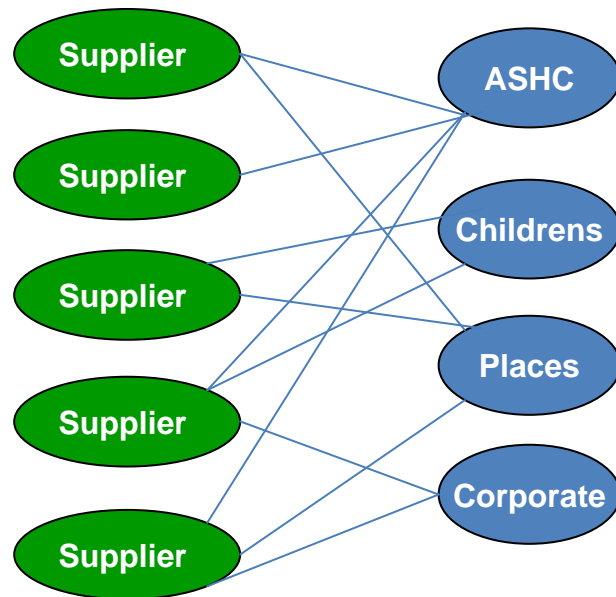


2002-2003
Improving Urban Green Spaces
Libraries as a Community Resource
2003-2004
Community Cohesion

Agenda

- Introduction
- Where we are today
- Vision for Procurement
- Procurement Process
- Introduction to new Contract Procedure Roles
- Governance – Procurement Board
- Contract Management

Where we are today

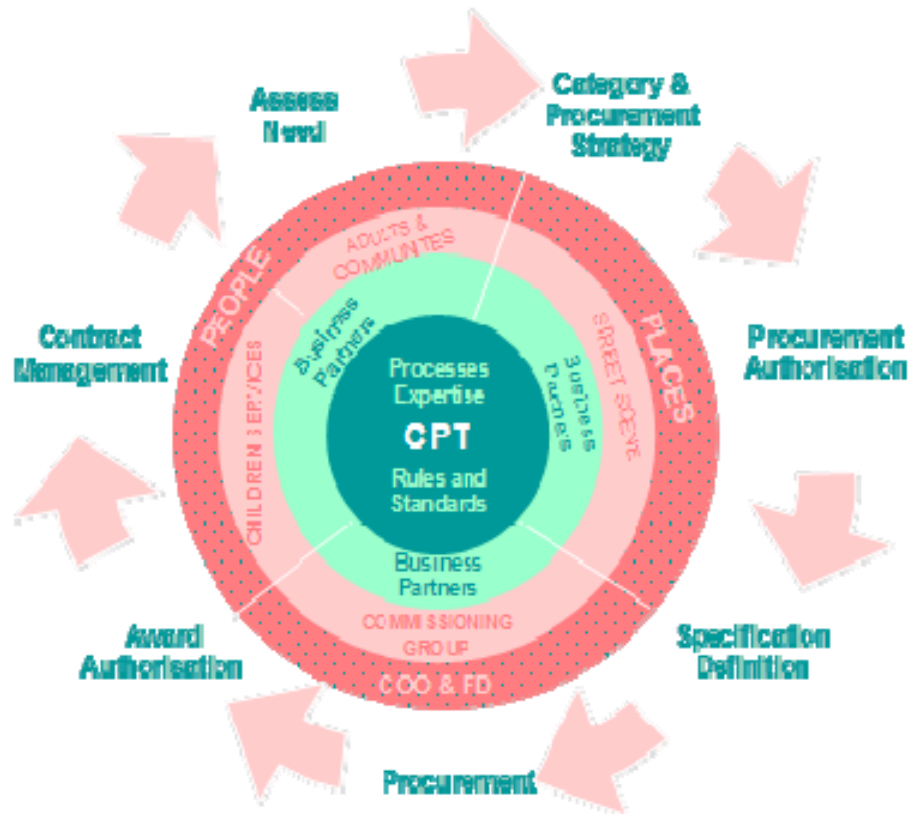


FY Apr 12 to Mar 13

- 6884+ suppliers
- High number of retrospective PO's/New Vendors and Changes to SAP contracts
- Multiple relationships and negotiations with the same suppliers
- Little evidence of collaboration (LBB)
- No evidence of economies of scale
- No standardisation of approach or methodology
- Differing contracts, cost models, SLAs
- Suppliers hold upper hand on data quality
- Supplier power is high

Our focus going forward is to improve supplier relationship management across all services and partners through effective category management and strategy delivery

Vision for Procurement



Key Attributes

- Shared VFM targets and benefits
- Strategic sourcing of cross-LBB purchase categories
- Develop co-design and citizen inputs into future procurements
- Strategic commissioning via insight
- Centre of excellence for strategic sourcing
- Optimise local and 3rd sector supply
- Common governance and methodologies
- Contract Compliance of all contracts let and managed

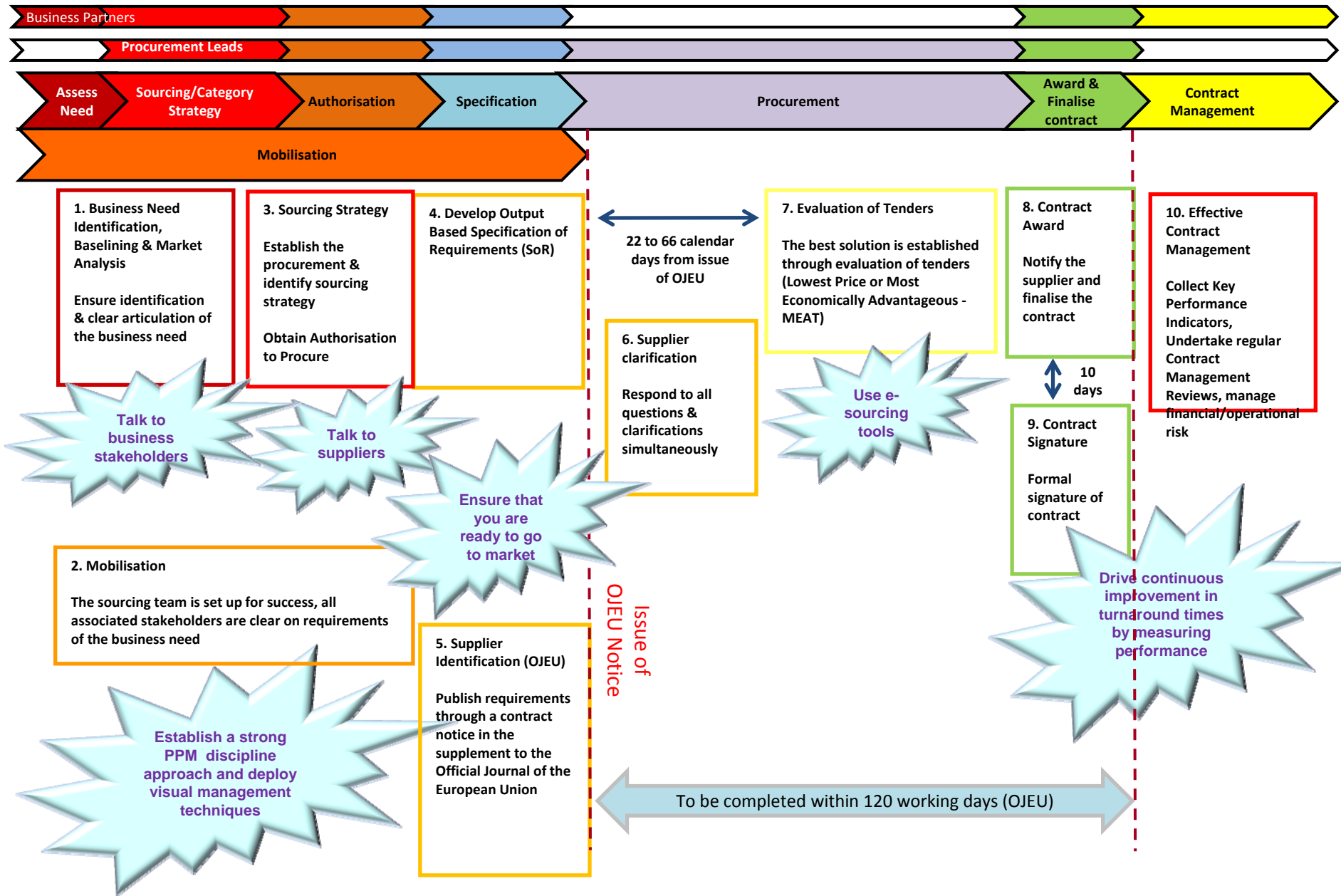
People Enablers

- One approach – leadership & procurement
- Training & skills development with all procurement staff given the opportunity to achieve the appropriate level of CIPS qualifications
- Talent management
- Open & honest communications leading to reduction in customer and supplier queries

Technology Enablers

- Knowledge sharing
- Common contracts database
- Supplier management information
- Provide a single on line portal for suppliers and customers
- Category Management tools & techniques
- Increased usage of e-Sourcing and provision of access to e-Procurement tools eg. e-Auctions
- Investments in:- Project tracking-Benefits Tracking, Desktop Dashboard Reporting, Online Contracts Database

Procurement Process Map



New CPRs April 2013

- Revised Contract Procedure Rules (CPRs) will be incorporated into the Constitution following the Council meeting on 18 April 2013
- Less Bureaucratic and easier to follow the end to end procurement process
- There are two key decision updates:
 - (a) Authorisation levels; and
 - (b) Acceptance Levels
- Key Decisions align with the following thresholds:
 - A = £0 - £10k
 - B = £10,001 - £25k
 - C = £25,001 - £173,933k
 - D = £173,934 - £500k
 - E = £500k and above
- A Procurement Board has been established

APPENDIX 1 – Authorisation and Acceptance Thresholds

	Procurement value	Authorisation to commence a procurement process	Authorisation Documentation	Procurement method	Acceptance process	Acceptance Documentation	Variation or extension Acceptance
A	£0 to £10,000	Head of Service or as designated by approved Scheme of Delegation	N/A	Reasonable means of selection including budget authorisation and audit trail ¹	Head of Service or as designated by approved Scheme of Delegation	N/A	Summary DPR
B	£10,001 to £25,000	Director	On forward Plan or Summary DPR	Minimum 2 written Competitive Quotations received ²	Approved Officer	Summary DPR	Summary DPR
C	£25,001 to £173,934	Director	On forward Plan or Full DPR	Minimum 2 written Competitive Quotations received ³	Approved Officer	Summary DPR	Full DPR (maximum £173,933 – please refer to 14.3)
D	£173,934 to £499,999	Cabinet Member	On forward Plan or Full DPR	Part A ⁴ : EU tender	Director	If within budget and agreed savings target on forward plan (Summary DPR) otherwise Full DPR	Cabinet Member
				Part B: Minimum 3 competitive Quotations received			
				Works: EU tender above £4,348,350			
E	£500,000 and above	Cabinet Resources Committee	Cabinet Resources Committee Report	EU tender (works contract value above £4,348,350)	Cabinet Member	Cabinet Resources Committee	Cabinet Member

Notes to APPENDIX 1 TABLE A – Authorisation and Acceptance Thresholds

¹ All procurements above £10,000 must be advertised on the E-portal (see 8.2)

Governance – Procurement Board

- Responsibilities

- Overseeing key phases of the operation of the Commissioning lifecycle from procurement inception through the procurement process to contract management across the Council

- Role

- Review and approve the Procurement Forward Plan considering best commissioning and procurement practice before recommendation to CRC
- Ensure a co-ordinated and comprehensive approach to sourcing across the Council incorporating challenge to deliver demand management, appropriate aggregations, consolidations etc.
- Receive and review monthly reports on procurement compliance issues, recommending action where appropriate
- Ensure that appropriate contract management and monitoring procedures are in place for and undertake reviews of the Contract Management of contracts that are of strategic importance to the Council
- Manage and interpret the Contract Procedure Rules and recommend to the Chief Executive any updates or revisions considered necessary

Effective Contract Management

- For services or goods contracts valued above £173,934 and works contracts above £499,999 a contract monitoring and review check must be performed 6 months after contract commencement
- Ensure continuous improvement and Value for Money is achieved
- Ensure the elimination of unlawful discrimination and the promotion of equality in accordance with current legislation.
- Ensure appropriate security measures are applied to prevent the unauthorised or unlawful processing of personal data and against accidental loss or destruction of, or damage to personal data.
- Contract Managers must undergo Central Procurement approved training to ensure:
 - contract performance and key performance indicators are met;
 - compliance with specification and contract terms; and
 - cost management including reconciliation of payments against work done, supplies or services delivered;

Central Procurement Team

- Key Contacts
 - Kevin Bates - Head of Procurement
 - Sajida Kiyanni – Business Partner (CS)
 - Sally Smith - Business Partner (ADC)
 - Susan Lowe – Business Partner (EPR)
 - Margaret Ejikeme – Business Partner (Corp)
 - Martyn Carter - Procurement Manager
 - Samantha Coombs – Procurement Manager
- Intranet Site – NSCSO/Corporate Procurement Team/Introduction