

Briefing on the Review and Update of the Joint Procurement Strategy (JPS) 2009-2014

Background

The Joint Procurement Strategy was originally adopted at SRBC and CBC in July 2009 and September 2009 respectively, shortly after the commencement of the Shared Services partnership, for a 3 year period. This was later updated and extended to a 5 year strategy life and is consequently, now due to expire during Summer 2014.

The current Strategy includes objectives and actions based on the four Joint Procurement Priorities listed as follows:-

Procurement that:

- Procurement that is effectively managed and monitored complying with relevant rules both internal and external
- Procurement that engages all buyers / commissioners, is market aware and delivers sustained competitiveness and value for money
- Procurement that is inclusive, sustainable and socially responsible
- Procurement that works with partners and suppliers to everyone's advantage and exploits the benefits of technology

A copy of the 2009-14 strategy is attached in Appendix A1 for information.

Current Position & Moving Forward

Since the commencement of the Strategy in 2009, many of the building blocks to an effective procurement service have now been put in place including training, guidance, model documents, a review of procedures and rules, a new e-tendering system and spend analysis. Whilst our overall priorities moving forward may remain similar, our efforts moving forward should now be focused on supporting officers in the procurement process, ensuring best value in procurement activities and achieving efficiencies, whilst constantly reviewing and ensuring that the systems and procedures in place remain relevant and up to date with current legislation and best practice, and are effectively embedded across the council.

A greater focus on the "business as usual" support to officers will also help to facilitate the impact of the shift in procedures from manual invitation receipt and opening of tenders and quotes, administered by officers across the Council to the new e-tendering process through the Chest which is administered entirely through the procurement team. E –tendering has significantly improved transparency and control with a permanent and more effective e-audit trail. It also provides considerable process and resource efficiencies for departments across the authority, but has also impacted considerably on the workload of the small procurement team (1.8 FTE) who now oversee, issue, receive and open all intermediate and high value procurements for both authorities in accordance with Contracts Procedure Rules.

To put some context on the impact of the Chest and the resource efficiencies this will have achieved across departments, the number of procurement exercises issued through the Chest over the last 3 years is shown below. Previously these would have all been manually received, recorded and securely locked away until their manual, witnessed, opening and recording after the closing date. In addition in certain instances this may have involved bringing in a Member with opening having to be witnessed by a Director or Head of Service.

Procurement Exercises through the Chest

Total 11/12	Total 12/13	Total 13/14
38	40	52

Spend analysis, benchmarking, use of frameworks and competitive tendering exercises have all resulted in significant savings over the period of the strategy life. However, once significant savings in an area have been achieved, it is unlikely that further significant savings will be achieved over and above those already achieved, when the contract is renewed, and the challenge therefore moving forward may be maintaining prices, avoiding increases and achieving additional efficiencies where possible. The savings target moving forward will need to reflect this.

END

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