



PROCUREMENT STRATEGY

Corporate Procurement at Wyre Forest District Council

The Procurement function is a Shared Service within Accountancy in the Chief Executive Unit of Wyre Forest District Council, supporting Services across the organisation and in the front line. In Procurement we support the Wyre Forest transformation strategy through better contracting and a flexible and responsive attitude to customers providing all required support and guidance to ensure customers are able to procure whatever is required for them to deliver their objectives.

Our Purpose –To enable and support the priorities of the Council:

- **Support you to contribute to a successful local economy**
- **Support you to live in clean, green and safe communities**

Our Vision

Wyre Forest – where people have the opportunity to enjoy a good quality of life and want to live, work, visit and invest.

We are committed to assisting the Council to meet its aims and objectives by achieving value for money from the way in which it procures and delivers its services and to ensure it uses its resources in an economic, effective and sustainable way.

Our Values will be included in everything we do:

Put the Customer First

We will create public value by improving outcomes for residents

In Procurement we will use outcome-based specifications for our contracts where appropriate, and develop improved supplier management to monitor performance and deliver cost effective & transparent services

Work as One Team and Support each Other

We will work with our partners in the interests of Wyre Forest

In Procurement, we will deliver strong partnerships with public sector colleagues, and use this to leverage better value and drive greater efficiencies from contracts we let

Celebrate Good Performance

We will ensure the highest quality And encourage innovation

In Procurement, we will bring high quality commercial insight to our programme of work and benchmark regularly against best practice. We will work alongside suppliers to encourage innovation

Be confident and honest in expressing our views

We will ensure, on all appropriate contract competitions, that any potential suppliers /contractors work to our high standards and values

In Procurement, we will seek from suppliers/contractor (and any sub-contractors) written evidence of robust policies and procedures to ensure high ethical principles and standards in line with current legislation, also a commitment to participating in a multi agency approach to safeguarding



Invest in giving people the skills to do the Job

We will develop and equip our officers to provide excellent service and seek our Internal customer's views and input wherever possible to ensure the best possible fit for procurement of goods, services and consultancy

In Procurement, we will develop our people with the professional and personal skills they will need to deliver excellence and work to build strength, capability and capacity and involve internal customers in all procurement

Be innovative and flexible in the ways we work

We will look after Wyre Forest District Council's internal resources responsibly

In Procurement, we will use all legal means to help deliver increasing levels of Councils' business to local SMEs, Micro Organisations and others by tailoring contractual and other opportunities and removing process and minimizing qualification requirements

Background

The Council established a corporate procurement service in 2008, this in turn became a 'shared' service in 2011 which is currently responsible for advising on and managing the procurement processes for Wyre Forest and both Bromsgrove District and Redditch Borough Councils with a combined annual external spend of £122m on goods and services.

With the introduction of the Corporate Procurement Strategy in 2008, the aim was to obtain value for money through the planned and appropriate management of procurement and supply chains in order to deliver high standard, cost effective, efficient and sustainable services to the District's residents.

This new strategy will help us continue to support the re-design and development of services for residents, and to support economic development in the Wyre Forest, making it easier for local and smaller organisations to access procurement opportunities and compete for contracts.

We have instigated a spend analysis exercise, which will provide much greater insight into our spend, and better information on markets and suppliers to ensure we make the most effective spending decisions at the right price for The Council.

We are involved in a wide range of procurement projects in partnership across the region including leading on significant projects with other Councils. Our challenge is to continue to provide an experienced professional team to support the delivery of further and increased savings from our procurement spend over the period of the medium term financial strategy.

Our Track Record

Every year since our inception as a Corporate service, we have delivered increased savings, working with other services to contribute a steadily increasing proportion of Wyre Forest District Council's overall budget savings. However, the initial tranche of savings have now been delivered. Further savings in an environment of rising costs will be more difficult to sustain and are likely to require service re-design, deployment of different commercial models, more partnership working and stronger commercial contract management with our supply base.



Delivering Saving Over The Medium Term Financial Strategy

We have identified five strategic development themes to deliver our vision:

The measure of success will be the sustained delivery of savings through procurement against Wyre Forest District Council's Medium Term Financial Plan. Our aim is to increase the proportion of overall savings delivered each year through better procurement and management of our suppliers.

Contract and Supplier Management

We will ensure that sections manage contracts more actively to drive continuous improvement in performance and efficiency and further develop contract management across the Council. Firstly, by working with operational contract managers in Services to spread best practice and provide training in contract management techniques.

Secondly, taking on a clearer lead role as the commercial owners of our major suppliers and contracts, responsible for delivering improvements and efficiencies.

The outcome of this change will be measured by the monitoring of contract performance being made more visible and accessible to senior officers across the organisation and by the identification of improvements in performance levels and additional efficiencies during the life of a contract. Furthermore, with our strong relationships with key suppliers, we will be recognised as their 'customer of choice' and improve our access to innovation in the marketplace.

Better Sourcing

We are improving the efficiency and effectiveness of our tender process for suppliers/contractors and internal customers by simplifying and reducing unnecessary process to add more value. We are taking steps to streamline the process of tendering our requirements, evaluating responses and awarding contracts. We will make better use of technology to support the process to reduce the time the process takes. We are making a start by using Wyre Forest Forward transformation strategy to ensure we drive out waste and reflect our customers' feedback. We will include local Small Medium Enterprises (SMEs) and the voluntary sector in the improvement to our sourcing process to further develop our commitment to engagement with these important partners.

We will know this change has been successful if our customers report greater satisfaction, and the process takes less time to complete without compromising quality. We will also seek feedback from suppliers who take part in sourcing projects to assess their experience and satisfaction with the process, and will be looking particularly for positive feedback from SMEs and voluntary sector providers.

We are also seeking to introduce and encourage greater innovation and divergence to ensure contract flexibility thus helping ensure that our contracts can meet the changing needs of residents in the most cost effective manner.

Partnership Working and Collaboration

We will continue to work with organisations such as the West Midland Regional Improvement Efficiency Partnership (WMIEP) and the Worcestershire Districts Procurement Group to build our capability and capacity for working with partners across the public sector. We have already achieved success by working with other local Councils across Worcestershire, Warwickshire and Staffordshire, Pursuing a partnership approach will enable greater leverage of common areas of spend, create a more resilient resource model and support the sharing of skills, and position us as a professional leader across the public sector.



The percentage of spend through collaborative contracts will be a key indicator for the service. In addition we will agree a target for generating income from partnership activity and through providing services to others.

Making Use of Technology

We will continue to explore and implement the latest purchasing techniques and sourcing expertise to ensure we have effective and efficient systems to help deliver savings, lower our process costs and to support opportunities for local businesses to bid for work, and to provide a better buying experience for customers.

We will establish a secure electronic portal for our suppliers which will make it easier to access and bid for contract opportunities at all levels, a contract management system to support the development described above, and continuing development of our purchasing and reporting systems.

Supporting Small Businesses in Wyre Forest District Council

Wyre Forest has some 3,715 businesses, and around 83% of these businesses have fewer than ten employees. The Council works with partners to deliver a number of business support programmes, some of which also include grant funding. In the current challenging financial climate, we want to encourage local businesses as they offer a diverse and competitive market from which to source our goods and services.

We realise the economic, environmental and social benefits to communities through procurement activity in assisting local suppliers.

We are committed to promote the local economy where possible to ensure that Wyre Forest Council continues to be a contributor to both the welfare of its residents and to provide a driving force for the local economy.

We aim to make our procurement processes easily accessible to all, and to make the process as slick as possible with the minimum of bureaucracy.

The Procurement Service works with Services, stakeholders and the market to continually review the options for service provision. New supplier models are continuously developing, including social enterprises and mutual as examples. Through the procurement and contract award process, the Council will continue to seek the best possible commercial model.

Our Aims for A More Diverse Supply Market

Working with the Voluntary, Community and Faith Sector

Under the Public Services (Social Value) Act 2012, we will actively consider how the commissioning and the procuring of services might improve the economic, social and environmental well being of the area. We will promote the focusing upon social value alongside other factors to drive more efficient and effective services in the long-term.

We try to work closely with the sector and the infrastructure organisations that support them. Working with commissioners we will ensure that they inform and are informed about needs and how they can support meeting the needs in The Wyre Forest.



New Ways of Providing Services

The Corporate Procurement Service works with Services, stakeholders and the market to continually review the options for service provision. New supplier models are continuously developing, including social enterprises, commissioning, mutuals and public/private joint ventures. Through the procurement and contract award process, the Council will continue to seek the best possible commercial model, reflecting the fast pace of change within particular market sectors. We are also spending more time advising current Council services how to trade more effectively and help identify new areas where there may be potential to/or services are looking to exploit existing opportunities or indeed expand into new areas to increase revenue.

Apprenticeships

A key element of our work with the business community will be to support Wyre Forest District Council's overall policy of encouraging the employment and development of young local people by helping create apprenticeships through the procurement of goods and services.

1. We will hold a minimum of two supplier engagement events each year –these will be designed and targeted for maximum impact on the business in the Wyre Forest.
2. We continue to support the Wyre Forest District Council in our procurement activities – ensuring the earliest possible engagement with the VCFS community on procurement decisions that may have an impact.
3. We will work with the VCFS to ensure they are in a strong position to respond to opportunities and organise themselves to maximise opportunities.
4. We will promote supply-chain opportunities and drive forward the use of apprentices.

To achieve our vision, there are five key actions we are taking from April 2014:

1. Implement our people development plan, putting in place a new programme of training, coaching and mentoring
2. Roll out stronger contract and supplier management across the Council for key contracts, identifying clear roles and responsibilities and providing professional support for Services.
3. Deliver a more accessible and simplified sourcing process, by simplifying processes and increased use of electronic technology
4. Engage and involve all potential stakeholders and interested/affected parties in procurements of goods and services
5. Use our partnerships with other bodies to drive greater efficiencies and leverage best value for money



By 2017, we will have:

- Delivered substantial cost savings through better contracting, to help meet Wye Forest Council's budget targets
- Provided maximum support to the Wyre Forest Forward transformation programme by addressing the journey the organisation has embarked upon by working to radically change the way we do business
- Developed a best-in-class service which is highly responsive to the needs of our internal customers and is valued by them as a strong partner in developing their own plans as part of a customer led Council
- Moved additional amount of our spend to local suppliers and have a thriving relationship with the Wyre Forest District Council's business and VCFS communities

Measuring our achievements

Key Performance Measures

		2014/15	2015/16	2016/17
1	Cashable Savings from better contracting (£m)			
2	% of spend via collaborative contracts			
3	% of spend with local suppliers			
4	Timely re-tender of key contracts	- Insurance -Home Improvement Agency -Temporary Accommodation -Occupational Health -ICT Servers	-Electricity -Cash Collection	- Multi Functional Devices (Print)