

**Procurement Strategy  
2004 - 2006**

**November 2003**



# **PROCUREMENT STRATEGY**

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### **Bibliography**

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2. Modern Procurement Practice in Local Government – I&DeA November 2003
3. Delivering Better Services for Citizens: A review of local government procurement in England (“The Byatt Report”) – DTLR, June 2001
4. Towards a National Strategy for local Government Procurement – ODPM/LGA, July 2002
5. EU Procurement Directives
6. Support Services Strategic Partnership Agreement between West Berkshire Council and Amey BPO

### 1. Executive Summary

The National Procurement Strategy for Local Government published in Autumn 2003 forms the basis for this strategy. Other recent developments in local government procurement are also considered as, of course, is the Council's current position in terms of procurement status and its partnership context with Amey.

These considerations have created a strategy to develop the procurement function in West Berkshire Council through improving organisational effectiveness by adopting efficient and consistent processes and procedures and investing in people and systems to deliver best value. The delivery of this strategy is based around achieving six core objectives. These are:

- To develop the procurement function and raise its profile
- To review and improve the procurement processes
- To implement electronic procurement systems
- To achieve and exceed savings targets
- To comply with standards
- To ensure equality and sustainability

The implementation plan in section 4 outlines the key steps in achieving these objectives.

### 2. Background and Context

The background to the strategy is explained by looking at both the external and internal contexts and considering the pressures they create.

#### 2.1 External Context

##### 2.1.1 *Byatt Report & Towards a National Strategy for Local Government Procurement*

In July 2000 the DETR and the Local Government Association invited Sir Ian Byatt to chair a Taskforce charged with reviewing local government procurement in England. This taskforce produced its report, *Delivering Better Services for Citizens*, in June 2001. The report's starting point was the critical contribution that procurement can make to the quality of public services. Its 39 recommendations attracted wide support.

In July 2002 the Office of the Deputy Prime Minister and the Local Government Association published a joint response *Towards a National Strategy for Local Government Procurement*. This document expanded upon the recommendations and highlighted key areas for immediate action.

##### 2.1.2 *National Procurement Strategy for Local Government*

This strategy, launched in October 2003, was developed jointly by ODPM and the LGA to take the recommendations of the Byatt report and translate these into a more effective format. The three year strategy is based around a vision for Local Government procurement and has five key themes designed to make that vision a reality. The themes are;

- Cultural shift
- Providing leadership and building capacity

- Partnering and collaboration
- Doing business electronically
- Stimulating markets and achieving community benefits

The first key theme of Cultural Shift is an overarching theme relevant to each of the other themes. Each of these other four has a series of key actions developed to progress that theme and these are tabulated in Appendix A and the implications for West Berkshire Council noted against each. These form the basis for the revised strategy.

### 2.1.3 *e-Government Initiative*

“e-government means exploiting the power of information and communications technology to help transform the accessibility, quality and cost-effectiveness of public services, and to help revitalise the relationship between customers and citizens and the public bodies who work on their behalf” [egove@local – Towards a national strategy for local e-government. A consultation paper DTLR, Local Government Association, Local]

The e-government targets to have services 100% e-enabled by the end of 2005 affect all aspects of local government, and, from a procurement perspective, the improvement of electronic communications and the reduction of paper are two key objectives.

### 2.1.4 *EU Legislation*

EU procurement legislation is based on the principles of non-discrimination and equality of opportunity on grounds of nationality, transparency and competitive procurement in relation to supplies, works and services.

In practice, there are financial limits above which contracts must be advertised in the European Journal and a transparent, auditable evaluation and selection process followed and recorded. There have been changes mooted that may affect the way the Council is able to do business and, in accordance with the National Procurement Strategy, there will be a continuous review of the Council’s standing orders.

### 2.1.5 *Best Practice Procurement*

There is no one size fits all best practice to procurement but there are a number of sources from which to gain valuable insight into the relative applications of procurement tools and strategies.

The key sources of best practice advice have been identified as the Office of Government Commerce (OGC Buying), the Society of Procurement Officers in Local Government (SOPO), the Chartered Institute of Purchasing and Supply (CIPS) and the Improvement and Development Agency (IDeA). In particular, the I&DeA is providing detailed advice tailored to suit the requirements of the National Procurement Strategy for Local Government. The information and recommendations contained within the I&DeA guide, *Modern Procurement Practice in Local Government*, will be utilised where appropriate in implementing the actions determined by this strategy.

### 2.1.6 *Best Value*

Best value requires local authorities to demonstrate continuous improvement in the way that services are provided. This is done through a variety of means but perhaps most importantly through undertaking regular reviews of all the Council’s services. In undertaking these Best Value reviews, local authorities need to apply the four principles of Best Value, namely Challenge, Consult, Compare and Compete. In doing so they build up a picture of what services are required locally to deliver Best Value and then choose a service option to help achieve it. This is a key component of the National Procurement Strategy for Local Government.

### 2.2 Internal Context

#### 2.2.1 *Amey West Berkshire Context*

The Partnership between West Berkshire Council and Amey started on 1<sup>st</sup> June 2002 and was put in place to deliver service improvement, investment and cost savings across a wide range of Services. Based around broad deliverables, it gives Amey not only the responsibility for providing services but also a responsibility for determining how they will be provided.

There is a joint management structure in place to ensure the close co-operation required for development of the relationship and the investment in systems and processes.

One of the key elements of the Partnership between the Council and Amey, was the transfer to Amey of the management and development of the centralised procurement function. A key element of the partnership is the guarantee from Amey of an agreed amount of procurement savings over the life of the contract. In return, a range of spend categories, of both services and goods, is defined as Amey's responsibility to procure in order to achieve the savings level promised. This range of categories is outlined in Appendix B. Amey also provides strategic and functional procurement advice and contractual services for categories not included within the allocated list.

Another key item in the contract that affects the Procurement Strategy is Amey's commitment to investment. This investment covers ICT systems and processes required to meet and exceed the government's targets for 100% e-enablement of Council services by the end of 2005. There is also included a commitment to invest in the service by increasing capacity and process re-engineering.

The benefits of the transfer and subsequent investment are expected to include the following:

- E-procurement consistent with the Government's expectations for local authorities to implement electronic service delivery
- Greater efficiency in the procurement process, with less paper and less administrative costs. Particularly where procurement is linked to payment processes, orders, invoices and goods received notes can be electronically linked to initiate payments – effectively an end-to-end paperless process
- Improved information for users on what goods are available, and whether they are in stock, through the provision of on-line catalogues. This will also assist in minimising purchasing outside agreed contracts
- Better deals with suppliers, partly through streamlined processes and partly through maximising purchasing through single suppliers
- Shorter times from ordering to delivery allowing lower stockholdings of bulky or valuable items
- Improved contract management facilities.

#### 2.2.2 *Council Context*

Procurement must be seen in the context of the Council's overall objectives. All too often the driving force has in the past been very focused on economy e.g. under the previous Compulsory Competitive Tendering (CCT) regime. Whilst this remains an essential ingredient of Best Value, it is also important that procurement decisions are taken in light of the broader objectives that the Authority is seeking to achieve. It is inevitable that for a public body such as West Berkshire Council, effective procurement must be measured as much by the social outcomes and community

benefits that result, as by the financial gains. Balancing these two dimensions is at the heart of effective Best Value procurement.

To understand the community benefits that the Council is seeking to achieve, it is necessary to consider the Council's corporate priorities. These are set out in the Council's Corporate Plan 2003 – 2008 as follows:

Four Organisational Priorities:

- Stronger Governance
- Customer Focus
- Performance Management
- Building Capacity

### 3. Current Procurement Status

The purpose of analysing the current status of the procurement function is to ensure that the strategy, and the action plan contained therein, is correctly aligned and prioritised with needs.

#### 3.1 Current Process

The Council is responding positively to government initiatives to improve procurement and, in partnering with Amey, has raised the profile of the procurement function. There has been consideration given, since the partnership started, to moving from solely economic decision making in procurement and now more innovative procurement routes are being explored. In order to comply with the essential ingredients of Best Value procurement, decisions must be taken in light of the broader objectives that the Council is seeking to achieve (i.e. the social outcomes and community benefits should form part of the process).

##### 3.1.1 Procedures and Guidance

Clear Standing Orders are in place and are continuously reviewed to ensure their adequacy and appropriateness. The Procurement service is further developing procedures and guidance, together with officer training, which will serve to improve the overall understanding of the function throughout the Council.

##### 3.1.2 Procurement Decisions

The Procurement service unit is developing standard procedures to inform officers of the process that should be undertaken to ensure that the Best Value procurement route is chosen. The reviewing and monitoring of a number of these decisions is well established for capital projects but as yet undeveloped for other aspects of Council procurement.

##### 3.1.3 Process Detail

All purchases are manually created, often over the telephone with each Service Unit using unique processes and record keeping. A pre-printed Purchase Order form is available but rarely used. Delivery notes are often (but not always) filed with order copies. When invoices arrive they are authorised and sent to Finance for payment.

### 3.1.4 Organisation Structure

A Centralised Procurement Unit (the CPU) forms the organisational basis for the corporate approach to procurement. This Unit is actively working across the Council to raise its profile and expand involvement into all areas of procurement. However, of all the contracts the Council currently has in place only a small number are directly controlled or supported by the CPU. This makes it very difficult to aggregate and evaluate procurement activity in order to achieve greater efficiencies.

### 3.1.5 Corporate Procurement

The Council is a member of Hampshire County Supplies and its associated Central Buying Consortium and also makes corporate use of OGC Buying. Therefore the scope to improve value for money through placing corporate contracts for selected goods and services has been recognised and acted upon. However insufficient procurement information has made it difficult to assess the scope of purchasing activity in various categories. This lack of procurement information makes it impossible currently for the Council to demonstrate that best value is being achieved. This results in a complex, inefficient, paper-based system where accurate procurement information is very difficult to find.

## 3.2 Strengths and Weaknesses

The table below illustrates the strengths and weaknesses of the current procurement system and is linked to the implementation plan.

<b>Strengths:</b>
<ul style="list-style-type: none"><li>• The use of buying consortium to consolidate spend</li><li>• Commitment from Council to improve procurement function</li><li>• Corporate agreements to deliver value for money</li><li>• Process review methods in place (Best Value, CPA)</li><li>• Strong linkage to the Finance Services.</li></ul>
<b>Weaknesses:</b>
<ul style="list-style-type: none"><li>• The CPU suffers from a generally low profile and is not widely utilised</li><li>• No consistency of process with each service unit re-interpreting the procedures</li><li>• No clear information is available on the scope of procurement activity</li><li>• No monitoring or review procedures are in place to assess how/if best value is being delivered</li><li>• Entire process is paper based and inefficient</li><li>• There is an absence of detailed procurement procedures and processes</li></ul>

### 4. Procurement Strategy Implementation

As previously outlined the strategy has six key objectives.

- To develop the procurement function and raise its profile
- To review and improve the procurement processes
- To implement electronic procurement systems
- To achieve and exceed savings targets
- To comply with standards
- To ensure equality and sustainability

To meet each of these objectives there are a number of goals to be met. These are explained in the implementation plan described in the following pages.



### 4.1 DEVELOP PROCUREMENT AND RAISE ITS PROFILE

Procurement is managed in a number ways across the Council. It is considered that what has been achieved has tended to be in an ad hoc manner and that there is a wide variation in both standards and levels of expertise across the Directorates and Service Departments

#### KEY OBJECTIVE

To ensure a structured approach to education, training and development and that procurement resources are deployed effectively and that systems are in place to deliver the priorities identified in the Procurement Strategy

#### Position Statement

- Procurement is managed in a number of ways with both centrally and devolved functions and there is an absence of a structured approach to training
- The central procurement function within Finance & Business Systems is currently evolving with new staff having been deployed over the year.

KEY ISSUES	GOALS	RESPONSIBILITY	DEADLINE
1. Consistency is required in terms of standards and approach	1. Procurement Board of senior officers from each service grouping to be established for meeting on a quarterly basis	Head of Procurement / Directors	Q1 2004
2. West Berkshire Council's service units' needs vary greatly in terms of scale nature, complexity and timing.	2. Each service unit have a designated officer at a senior level with responsibility for procurement within their department and the CPU to have a contact point by service grouping	Head of Procurement / Directors	Q1 2004
3. There will be significant change management and resource issues in implementing the procurement strategy	3. Core procurement competencies to be identified and developed into staff workforce development plans	Heads of Service	2005
4. Training opportunities are relatively limited and can be expensive	4. Procurement training to be incorporated into the existing management training programme commencing with the Council's standing orders	Heads of Service	2005
5. Best Value requires that good procurement practice is essential if real improvement to service costs and quality are to be achieved	5. Regularly review Strategy with Head of Resources and Portfolio member. Report to members on six monthly basis.	Head of Procurement / Partnership Contract Manager	Q2 2004
6. Portfolio responsibility assigned but engagement of member in executing strategy requires enhancement			

**4.2 REVIEW AND IMPROVE PROCUREMENT PROCESSES**

To enable strategic decisions to be made it is necessary to have available the relevant information to ensure that procurement will become more efficient, effective and economic. Performance management is a key issue in the light of Best Value and the need to measure and improve on service delivery

**KEY OBJECTIVE**

To improve the accuracy, availability, appropriateness and accessibility of procurement related management information and develop and use meaningful performance measures and indicators

**Position Statement**

- The Council's financial systems were not designed with procurement information as a key feature
- The information on procurement is not readily available
- The Council processed 60,000 transaction payments in 2000/2001
- A new Finance/Procurement MIS is due to be implemented by 2005
- Limited performance indicators are contained in the Partnership Agreement
- There are no Audit Commission performance indicators for procurement

KEY ISSUES	GOALS	RESPONSIBILITY	DEADLINE
1. Information currently obtained from the financial system does not lend itself to strategic procurement	1. Investigate opportunities to introduce purchasing cards where appropriate.	Head of Procurement	Q1 2004
2. Ability for suppliers to provide and exchange information electronically	2. Introduce e-Procurement pilots as part of the Finance/Procurement MIS Implementation Project.	Head of Procurement /Heads of Service	2005
3. E-Procurement and purchasing cards will improve procurement management	3. Review newly published IdeA recommendations on performance indicators and develop a meaningful suite of operational indicators	Head of Procurement/ Contract Manager	2005
4. Use of coding systems is variable	4. Develop a corporate register of savings	Head of Procurement	Q1 2004
5. Without published performance indicators and internal benchmark data it is difficult to benchmark the performance of the procurement function or know how well we are doing	5. Develop a corporate register of contracts and implement supplier performance management process	Head of Procurement/ Heads of Service	Q2 2004
6. The new ODPM local government procurement strategy is challenging	6. Identify and increase the amount of work carried out under contractual framework agreements &partnerships	Head of Procurement/ Heads of Service	On-going

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	7. Identify and increase the amount of work carried out by approved contractors as percentage of the total work carried out	Head of Procurement/ Heads of Service	On-going
	8. Monitor and increase service user satisfaction	Head of Procurement/ Contract Manager	On-going
	9. Review opportunities for use of draft local government standardised documentation and tender processes	Head of Procurement/ Heads of Service	2005

### 4.3 IMPLEMENT ELECTRONIC PROCUREMENT SYSTEM

This is acknowledged as a way of doing business that reduces both direct and indirect procurement costs

#### KEY OBJECTIVE

To reduce the cost of the procurement process, maximise spend leverage and to improve efficiency and effectiveness in all aspects of the procurement process by the use of ICT

Position Statement

- There is currently no e-Procurement system
- There is a Council web site, but no procurement web site
- Contractors and suppliers are slowly growing aware of e-Procurement issues
- A number of suppliers are paid by BACS
- West Berks has submitted its IEG statements and policy
- A new Finance/Procurement MIS with full e-Procurement functionality is due to be implemented by 2005

KEY ISSUES	GOALS	RESPONSIBILITY	DEADLINE
1. The rapidly changing environment with relatively untried and unproven concepts	1. Implement Procurement element of Finance/Procurement MIS	Head of Procurement/ System Implementation Team	2005
2. Need for continuing investment and staff resources post Finance/Procurement MIS go live	2. Establish and implement targets for the percentage of expenditure through e-Procurement year on year	Head of Procurement/ Contract Manager	2006
3. Ability and initial cost of suppliers participating in doing e business	3. Measure operational efficiencies achieved through the use of the Finance/Procurement MIS	Head of Procurement/ Heads of Service	2005
4. Cultural and retraining issues	4. Develop a 'How to do business with the Council' procurement web site for downloading application forms and documents and tendering – to include hard copy version for distribution in public places	Head of Procurement/ Heads of Service	2005
	5. Evaluate e-market place options	Head of Procurement	Q3 2004
	6. Develop a plan for supplier adoption	Head of Procurement/ Heads of Service	Q3 2004

**4.4 ACHIEVE AND EXCEED SAVINGS TARGETS**

The purpose of the procurement process and function is to ensure and enable the Council to obtain goods, works and services that are value for money and deliver Best Value services to the citizens of West Berkshire. The Partnership contract with Amey includes guaranteed levels of saving to be achieved by improved procurement.

The government is encouraging partnerships with other local authorities, suppliers and agencies as a way of providing more effective procurement.

**KEY OBJECTIVE**

To reduce the cost of procured goods, works and services and manage the supply chain by developing better relationships by promoting co-operative arrangements with public, private and voluntary sector organisations.

**Position Statement**

- Partnerships with neighbouring authorities have not fully been exploited viz our affiliation via Hampshire of the Central Buying Consortium and the newly formed Thames Valley consortium of local authorities
- The Amey West Berkshire PPP has been running for 1 year

KEY ISSUES	GOALS	RESPONSIBILITY	DEADLINE
<ol style="list-style-type: none"> <li>1. Achievement of savings will be dependant on the co-operation of the contract owners/sponsors within the service units</li> <li>2. To achieve year on year budget savings may require initial investment</li> <li>3. Value for money is not always easy to quantify and can be subjective</li> <li>4. Tender evaluation based on cost and quality will not always provide the cheapest solution</li> </ol>	<ol style="list-style-type: none"> <li>1. Achieve best value in line with the agreed procurement plan: -                             <ul style="list-style-type: none"> <li>• Taking advantage of the council’s full purchasing power</li> <li>• Improving on contract spending</li> <li>• Improving the operation of the procedures and competitiveness outcomes</li> <li>• Use of OGC, contracts and consortia</li> <li>• Rationalisation of supply basis</li> <li>• Involvement of users in the procurement of corporate contracts</li> </ul> </li> </ol>	<p>Head of Procurement/ Contract Manager/ Heads of Service</p>	<p>On-going</p>
<ol style="list-style-type: none"> <li>5. Reduce the supplier base but remain sensitive to local sourcing and enable local business to demonstrate their competitive advantage</li> </ol>	<ol style="list-style-type: none"> <li>2. Use best practice methods to determine the best value-for-money procurement routes</li> </ol>	<p>Head of Procurement/ Heads of Service</p>	<p>On-going</p>
<ol style="list-style-type: none"> <li>6. Fundamental cultural and working practice issues are being worked through on the</li> </ol>	<ol style="list-style-type: none"> <li>3. Continue to develop price &amp; quality tender evaluation models</li> </ol>	<p>Head of Procurement/ Heads of Service</p>	<p>On-going</p>

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<p>Amey West Berkshire partnership relating to:</p> <ul style="list-style-type: none"><li>• client/contractor cultures</li><li>• transparency and probity</li><li>• mutual trust</li><li>• commitment by parties</li></ul>	<p>4. Explore partnering opportunities more fully and produce a plan for entering a procurement partnering with</p> <ul style="list-style-type: none"><li>• another local authority</li><li>• the Voluntary sector</li><li>• a private company</li><li>• another public sector body</li></ul>	<p>Head of Procurement/ Heads of Service</p>	<p>On-going</p>
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### 4.5 COMPLY WITH STANDARDS

Public procurement is subject to a number of constraints. There is a fiduciary duty to taxpayer and a legal requirement to have standing orders. There is European procurement legislation. The Council can ensure value for money by the application of controls and standards.

#### KEY OBJECTIVE

Ensure that all of the Council's procurement of goods, works and services complies with the law (English and European), is ethical and transparent.

#### Position Statement

- Council purchasing standing orders do not reflect the move to e-Procurement
- Procurement is subject to a number of existing control mechanisms

KEY ISSUES	GOALS	RESPONSIBILITY	DEADLINE
1. Risk is present in all procurement activity and needs to be managed	1. To continually review the purchasing standing orders to reflect e-Procurement, organisational and strategic changes	Head of Procurement/ Head of Legal Services	On-going
2. A review of purchasing standing orders is required in preparation for e-Procurement	2. To be more proactive in the issuing of guidance where appropriate	Head of Procurement	On-going
3. Non standard approach and non standard documentation across the Council	3. To develop and create a corporate standard documentation approach to procurement across the Council including schools – to include conducting gateway reviews and risk assessments where appropriate and necessary	Head of Procurement/ Heads of Service	2005
4. Current resources in terms of numbers of procurement staff	4. To produce a control register for all procurement above the European Threshold figures for goods, works and services.	Head of Procurement	Q2 2004
	5. To develop on the intranet an interactive version of the standing orders, linked to standard documentation.	Head of Procurement/ Head of Legal Services	2005

### 4.6 ENSURE EQUALITY AND SUSTAINABILITY

Equality and sustainability issues have become more important in recent years throughout the work of local government and are reflected in government legislation and papers on these matters.

The Council has established clear policies for both equalities and sustainability and it is vital that these policies are taken into account when Council functions are discharged through external companies or agencies.

Suitable methods for including these issues within the procurement process in West Berkshire need to be considered that take into account cost and that do not have a negative effect, long-term.

#### KEY OBJECTIVE

To promote and implement procurement practices in keeping with the Council's policies of equality and sustainability.

Position Statement

- Equality and sustainability are not yet considered as evaluation criteria on larger contracts
- Not all departments encourage the use of local business
- As yet there is no regular dialogue with the Chamber of Commerce, District Association of Industries and the like and there are no supplier workshops
- A local business initiative best value toolkit has yet to be produced
- The Council has set high standards for itself on sustainability and equality issues and has already achieved Level 3 on the Equality Standard for Local Government.

KEY ISSUES	GOALS	RESPONSIBILITY	DEADLINE
1. Government legislation has given greater freedom for the inclusion of workforce and equal opportunity matters  2. The knowledge of smaller enterprises and policies on sustainability and equal opportunities compared with the larger companies  3. Difficulty in evaluating sustainability and equality issues in tender evaluation models and the balance of price  4. Legal constraints surrounding local	1. Develop monitoring strategy in relation to equal opportunities and sustainability for approved list firms	Head of Procurement/ Heads of Service	2006
	2. Investigate opportunity to hold a minimum of 1 supplier development event per	Head of Procurement/ Heads of Service	2006
	3. Equality and sustainability clauses to be reviewed and updated in the standard procurement documents	Head of Procurement/ Heads of Service	2005
	4. Develop a plan for the management of supply chain relationships	Head of Procurement/ Heads of Service	2006
	5. Enter into regular dialogue with the Chamber of Commerce, District Association of Industries and the like and plan supplier workshops	Head of Procurement/ Heads of Service	2006



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<p>sourcing issues</p> <p>5. Potential exclusion of smaller enterprises in respect to e –Procurement and other issues</p> <p>6. Race Relations (Amendment) Act 2000 requires the Council to promote racial equality in discharging all its functions – including those discharged through private contractors.</p>	<p>6. Full monitoring system tracking ordering of goods, works and services with local businesses to be put in place to track year on year increases in amount of work awarded</p> <p>7. Assess current knowledge and implementation of equalities and sustainability amongst other enterprises using examples, questionnaires, copies of surveys, etc.</p> <p>8. Promote and encourage the use of the CRE toolkit for approved list of firms</p>	<p>Head of Procurement/ Heads of Service</p> <p>Head of Procurement</p> <p>Head of Procurement</p>	<p>2005</p> <p>2004</p> <p>2004</p>
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## Appendix A: National Procurement Strategy for Local Government

### The Key themes and their actions and the implications for West Berkshire Council/ Amey West Berkshire

Key Themes	Action items	Implications for Council and Amey. (NB the points in parenthesis cross refer to the action items in section four strategy implementation)
Providing leadership and building capacity	1. Demonstrate political leadership of procurement.	Portfolio responsibility assigned but engagement of member in executing strategy requires enhancement. (4.1 Goal 5)
	2. Demonstrate managerial leadership of procurement.	The governance structure and reporting responsibilities are still not clearly defined. This needs to be improved and communicated. (4.1 Goals 1&2)
	3. Implement a corporate procurement strategy.	Follow through on the action plan contained within the strategy.
	4. Establish a centre of expertise in procurement and project management.	Develop further the procurement function and integrate with the developments in project management. (4.1 & 4.2)
	5. Carry out a skills audit and implement a training and development programme	Develop a training plan specific to procurement for all levels involved across the organisation. (4.1 Goal 4)
	6. Review and redesign procurement processes.	This is part of an ongoing process along with procedures and systems review. (4.2)
	7. Review and revise procurement procedures.	As above.
	8. Maintain transparency.	The planned "Selling to the Council" guide must be finalised and the contracts database extended to include all Council contracts. (4.3 Goal 4 & 4.2 Goal 5)
	9. Audit compliance.	A control register is required for all contracts over EU threshold and re vision of procedures should consider audit requirements. (4.2 and 4.5 Goal 4)
	10. Ensure early involvement.	As above
	11. Make best use of buying power.	Consortia being used but more opportunities should be explored. Centralised co-ordination through contracts database and systems should provide greater visibility of spend. (4.2 Goal 3 & 4.4)
	12. Implement an appropriate e-procurement solution.	Ongoing. (4.3 Goal 1)
	13. Manage major procurements as projects and introduce gateway reviews.	Currently in place for capital procurement but procedure needs to be reviewed for large revenue contracts. (4.5 Goal 3)
	14. Manage contracts and supplier relationships.	Guidance required on process for contract and supplier management. (4.2 Goal 5)
	15. Measure performance of the procurement function.	Performance indicators in place under partnership but more operational measures required. (4.2 Goal 3)
Partnering and	<b>Partnering</b>	
	1. Carry out a challenging option appraisal.	Need to explore options for alternative service delivery within partnership scope. (4.2)

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Collaboration	2. Examine partnering models.	Consider different partnering possibilities. (4.4 Goal 5)	
	3. Consider uses of the new trading powers.	Not available to West Berkshire Council at this time.	
	4. Examine opportunities for collaborative procurement of partnerships.	As 2 above. (4.4 Goal 5)	
	5. Build continuous improvement into contracts.	Consider options for incentivised contracts. (4.4)	
	6. Follow best practice in the procurement process.	Use available best practice guidance. (4.4 Goal 2)	
	7. Adopt a structured approach to project and risk management.	Council Risk Management process to be adopted. New project management process to be considered once available. (4.5 Goal 3)	
	8. Implement a gateway review process.	This will form part of the processes noted above. (4.5 Goal 3)	
	9. Streamline procurement processes.	Process and procedure reviews required. (4.2)	
	10. Manage relationships as well as the contract.	As 14 in previous section.	
	<b>Collaboration</b>		
	1. Procure and commission jointly.	As 2 in above section.	
	2. Create shared services.	As 2 in above section.	
	3. Make best use of purchasing consortia.	Council currently using Hampshire but should investigate other options. (4.4 Goals 1 & 5)	
	4. Open framework agreements.	More framework agreements possible. (4.2 Goal 6)	
5. Use e-Marketplaces.	More than option available to Council. Review and decide on best way forward.. (4.3 Goal 5)		
Doing business electronically	1. Develop an e-procurement strategy.	Included within Council's ICT strategy and Finance and Procurement Steering Group who are implementing new system.	
	2. Build a business case for e-procurement.	Complete.	
	3. Work with suppliers to promote adoption.	Work ongoing within Steering Group.	
	4. Implement the solution that is right for your council.	Solution determined but implementation yet to be carried out. (4.3 Goal 1)	
	5. Use procurement cards appropriately.	Investigate opportunities for appropriate use. (4.2 Goal 1)	
Stimulating Markets and achieving community benefits	<b>Stimulating markets</b>		
	1. Publish a "Selling to the Council" guide.	See 8 in first section	
	2. Market the Council to suppliers.	Plan to be developed. (4.6 Goals 2 & 5)	
	3. Promote a diverse and competitive market.	As above.	
	4. Develop a local compact with the voluntary and community sector.	Council needs to open dialogue with local bodies covering differing sectors. (4.6 Goal 2)	

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5. Sign up to a “concordat” for small and medium sized enterprises in the community.	Council needs to open dialogue with local commercial sector. (4.6 Goal 2)
6. Develop supply chain partnerships.	Management of the supply chain should be integrated into the procurement processes. (4.6 Goal 4)
7. Develop suppliers.	Council needs to include supplier development in reviews of procurement categories. (4.6 Goals 1 & 4)
8. Use buying power to stimulate innovation.	Needs to be considered as a part of any category review.
<b>Community benefits</b>	
1. Adopt whole life costs and benefits as your contract award.	To be included within procurement procedures. (4.4 Goal 3)
2. Consult staff and build employment considerations into procurement processes and contracts, where relevant to contract.	Already included within current procurement procedures.
3. Implement sustainable design and sustainable procurement strategies and build sustainability into procurement processes and contracts, where relevant to contract.	Council needs to develop and include within processes. (4.6)
4. Build delivery and equality considerations into procurement processes and contracts, where relevant to contract.	Council needs to develop and include within processes. (4.6)
5. Invite proposals for the delivery of community benefits.	Council needs to develop and include within processes. (4.6 Goal 5)
6. Build choice into the procurement process.	Part of process review. (4.2)

### Appendix B: Procurement Categories

#### Procurement Categories

Waste	Photocopiers
Highway Services	Office Equipment Supply
Construction	Postage
Bus/Coach/Taxi Services	Publications except Libraries
Housing	Property Rental
Building Maintenance	Accommodation
Insurance	Office Moves
Transport - Vehicle Lease	Furniture
Training	FFE Equipment Testing & Inspection
Catering Supplies	Sports Equipment
Telecommunications	Educational Supplies
Grounds Maintenance	Sanitary Services
Temporary Staff	Animal/ Pest Control
Consultants	Transport - Vehicle Repair
Utilities	Car Parks
IT Hardware	Professional Institutes
Advertising	Signage
Cleaning Services	Bereavement Services
Security	Plant Hire
Stationery	Fuel
Catering Services & Supplies	Photography
Building Supplies	Clothing
Leisure Services	Musical
IT Software	Cleaning Supplies
Printing	Legal Services
Publications for Libraries	Office Equipment and Maintenance
Construction	Financial

All of these categories have a different level of involvement for the Council Service involved. Please refer to Contract Service Schedule 2T for further information. Clarification can be obtained from the Partnership Contract Manager. As previously noted Fair Funded Services for schools are not included.