

Appendix 'A'
Procurement Service improvement Plan 2014 – 15

Action	Timescale	Progress	Status
1. Our Approach to Procurement			
1.1 Effective leadership is embedded within the service to take forward and improve service delivery and meet the needs of the County Council.	Ongoing	<p>Short term arrangements are in place. A Head of Procurement has been appointed as part of the County Council restructure, who will take up post on 1 April 2015.</p> <p>A quality of service/dashboard report for the service has been developed and is produced quarterly. The focus of the report is on activity that supports the achievement of the aims and objectives of the procurement strategy. Enhancements to the report have been made to include the total value of savings per annum achieved by service areas through procurement activity.</p>	Green
1.2 Set out an approach to category management that maximises the use of financial and non-financial data and that ensures off contract spend is minimised.	March 2015	A draft paper has been developed for discussion at the Procurement Board. Further work is continuing and will include the development of a No PO/No Pay strategy as part of this approach to reduce off-contract spend. It is anticipated that this work will be completed by the end of 2014/15.	Green

Action	Timescale	Progress	Status
1.3 Develop Procurement Plans for every category of spend to reflect service priorities	May 2015	<p>Service engagement plans have been drafted and shared with the Procurement Board. Areas of focus include contracts at risk of being waived/extended, off contract spend etc.</p> <p>It is the intention that these plans will be refreshed for 2015/16. Regular meetings with Directorates will be held to ensure these remain up to date and relevant and to ensure ongoing engagement and discussion on procurement activity at a senior level across the County Council.</p>	Green
1.4 Regularly review management information on high and low value spend, off-contract spend (both where there is a contract and where there isn't a contract), and retro-ordering.	June/July 2015	Final requirements for management information have been submitted to BTLS to ensure this can be provided in a usable format. BTLS has indicated that this report will be delivered June/July 2015.	Amber
1.5 Revise procurement rules and contract standing orders to ensure they reflect current legislation and support business need	May 2015	A working group has been established to review these. It is envisaged that these will need to be signed off at Full Council in May 2015. Draft procurement standing orders were considered by the Procurement Board and have been shared with Legal Services for comments. The timeframe for this action has been put back as a result of the delay in new legislation being introduced. This delay will also allow the new Head of Procurement to have an input into the redrafted document. The amended draft document will need to be reconsidered by the Board before final consideration by Management Team.	Amber
1.6 Review standard tender documentation for suppliers to ensure they are proportionate to level of	April 2015	This work is ongoing.	Green

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spend (including considering a revised approach to pre-qualification, and link with electronic systems).			
1.7 Develop and implement a Contracts Register that is made publicly available.	March 2015	85% of the contract register has been uploaded and work is continuing to address the issues with gaps in supplier information on the remaining contracts. This is on track to be completed by the end of March 2015.	Amber
1.8 Review approach to contract monitoring (including consideration of monitoring by organisation, not contract)	March 2015	This is a key piece of work that has been discussed with the Procurement Board. Further work has been requested and a further report is scheduled to be taken to the Procurement Board in March 2015. This will help inform the County Council's resourcing requirements in relation to contract monitoring activity across the County Council for the new organisational structure. Discussions are ongoing at senior level within the organisation as part of the County Council's restructure.	Green
1.9 Develop and deliver new training programme to ensure all relevant staff are fully trained in procurement and governance requirements.	September 2014 Ongoing	Implemented. Training has been provided by Democratic Services and Legal Services. Slides have been made available on the website. The quality of reports has improved to members and Chief Officers has improved significantly. Ongoing training from the legal services team is also in place with the establishment of legal surgeries' in relation to procurement activity. Training has also been provided by procurement service staff to other Directorates that currently conduct their own procurement work. Training on a new EU Directive on Procurement has been delivered to the Procurement Service in February 2015.	Green
1.10 Develop an approach to maximise the benefits to the County Council of increasing supplier use of	March 2015	The number of suppliers engaging with the County Council's new systems is increasing as a result of the steps taken by the Service and BTLs to improve this position. Several working groups involving key stakeholders have been established to review systems, and to try and streamline access and processes to encourage.	Amber

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electronic systems.		suppliers to use new systems.	
1.11 Develop a performance management framework to manage key risks and activities and ensure regular monthly reporting that is embedded within the County Council's performance management framework.	December 2014	<p>A report for the Cabinet Committee for Performance Improvement has been prepared and will be reported on a quarterly basis. In addition the Procurement Board will receive regular updates on performance for key activities. These will be reflected in a performance dashboard.</p> <p>Regular monitoring of the Service improvement Plan is also carried out by the procurement service Senior Management Team.</p>	Green
1.12 Cleanse supplier data base and apply agreed organisational classifications, i.e. SMEs, VCFS, to all suppliers.	December 2015	Work has commenced on this exercise. Given the large volume of data and the requirement to agree definitions for the organisational classifications this exercise will require significant resources and an achievable timeframe to complete.	Amber
2. Sustainable Procurement			
2.1 Ensure internal processes proportionate to level of spend (including considering the Gateway Process)	March 2015	A consistent approach using consolidated Gateway documents has been introduced across the different categories of spend.	Green
3. Social Value			
3.1 Develop the County Council's approach to Social Value in Procurement	May 2015	This is currently underway. A task and finish group has been established and initial reports and suggested approaches have been discussed with the Procurement Board. The timeframe for this action has been delayed to allow the new Head of Procurement to have input into the final document before sharing with the Board.	Amber

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4. Doing Business with the County Council			
<p>4.1 Ensure customer access and support is appropriate and enables customers to communicate with the service in a way that is accessible and appropriate for business needs.</p> <ul style="list-style-type: none"> • Telephone • Website • Communications to customers including schools, police, fire, district councils etc. 	March 2015	<p>Dedicated customer helpdesks have been established. 'How To' guides are being updated and refreshed to reflect new queries.</p> <p>Further work is however required to improve uptake and to streamline access to the systems. A post implementation review is to be carried out with key stakeholders and BTLS to review processes and identify areas for improvement/change.</p>	Amber
5. Electronic Procurement			
5.1 Implement the corporate e-tendering system, Oracle Sourcing, across all procurement categories.	March 2015	This is in use across all procurement categories.	Green
5.3 Develop a range of payment methods that reflect the needs of the business and customers and that maximise the use of current technology.	March 2015	Work is underway. A range of payment methods already exist and a consultation exercise is currently underway across the County Council to identify any gaps and to establish suitable options.	Green

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6. Performance Management			
6.1 Culture change, consistent and effective working practices and models are embedded.	March 2015	<p>Working practices are being reviewed particularly for the new systems. Additional technical, systems and also management training has been implemented as have the principles of the Lancashire Way. Documentation has been reviewed for procurement processes to try and standardise as much as possible. Workforce development activity has been undertaken including;</p> <ul style="list-style-type: none"> • Management training • Cross training between teams to address resilience issues and overcome knowledge gaps • Application of LCC policies in a standardised way across the whole of the service, i.e. sickness. • Vacancies have been filled, where required, to meet demand. 	Green
6.2 Establish a Procurement Board with agreed Terms of Reference that supports the delivery of the County Council's Procurement Strategy.	May 2014	Procurement Board has been established and has met on a monthly basis. Discussions are ongoing to agree the appropriate membership of the Board to reflect the County Council's restructure from 1 April 2015.	Green
7. Our Suppliers			
7.1 Ensure supplier access and support is appropriate and enables suppliers to communicate with the service in a way that is accessible and appropriate for business needs.		Proposals are being developed to develop a skilled and enthusiastic support desk that know the systems and processes and have excellent customer service skills.	Green

