

# **One Council Overview & Scrutiny Committee**

## **5 December 2012**

### **One Council Programme Update – Procurement Project**

#### **Background**

This project has been going since 2012. Previously there was a project that had strategic procurement transformation which enabled the service to develop from one in 2010 where it was manned mostly by temporary staff and had little influence and profile within the organisation.

Today the procurement team is staffed with professional Category Managers who are embedded within the service directorates influencing the way that procurement is undertaken across the organisation. The team is respected and actively involved in all the directorates to ensure the Council reaps the benefit of best possible procurement activity.

#### **Current procurement one council portfolio**

The current projects cover 3 distinct areas and have very different emphasis and outcomes. One of the major difficulties has been the overall lack of project management due to lack of resources in procurement which is a small service. There has been some ability within the team using additional resource to provide project management support which has made a difference to the progress of the projects.

#### **E-procurement**

This project is green and has had perhaps the most evidence of success, the project covers the development of electronic procurement as well as development of i-proc which is the Oracle module for requisition to purchase order and Athena. The advantage of using the electronic systems is that it enables compliance of the proper procurement process but also enables staff to easily access the contracts we have centrally for purchasing low value high volume goods and services such as stationary etc. whilst also enabling the use of electronic tendering for more complex procurement including social care. This project is moving on swiftly the first e-procurement has been with social care and we are currently at the PQQ stage.

The strategic procurement board had a demonstration of how the new catalogues are developing within the e-procurement which was very exciting this is a project that definitely has grip and traction and is probably nearing a point when this element will soon be completed.

On Tuesday 27<sup>th</sup> November the Brent solution for controlling Maverick spend through i-proc and the use of cataloguing was demonstrated to the Athena Group. This presentation was well received and there was interest from the participating authorities in adopting a similar methodology once the Athena One Oracle solution is implemented.

Brent have led on the Procurement aspect of the Athena One Oracle system validation stage and high level processes were agreed by the group following a walkthrough lead by Brent on 27<sup>th</sup> November.

## **Training**

This strand of the procurement suite of projects is Amber and has been reinvigorated with the input of a new project manager from Legal and Procurement who has been able to dedicate time to this project as a part of her role as temporary Business Manager within the Department. I have refocused the role so that the Business Manager has been able to undertake the training need analysis across the Council and work with colleagues in procurement to produce a fit for purpose training package. The first training session was delivered on Friday 23 November with support from Learning and Development. The feedback has been very positive and the program for delivery of training sessions some of which will need very careful tailoring where specific contract management development is required. This project will continue to roll out the required training across the Council ensuring we have officer who are properly trained to undertake procurement and contract performance management activity. There has been added benefits of involvement of colleagues from Legal providing additional elements of training where legislative changes have been raised and discussed. With the roll out of the program and the continued involvement of the Legal and Procurement team, this project should be able to move on to green status shortly. The up-skilling of officers across the Council would bring a close to this project. I anticipate that the training will move to business as usual following initial implementation.

## **Additional savings**

This is the element of the portfolio with the most difficult profile. It remains on a red status despite some very real progress and considerable work from those involved. This project is looking at finding additional unidentified savings from procurement activity across the Council. Whilst the project has a target of £1.5m to be found from its activity, much of this is in reality the day to day work of the team and separating out this activity has been somewhat problematic.

In addition the lack of a dedicated project manager identifying activities and setting out how the work is being undertaken to achieve the savings has been unhelpful. I have identified that the resource undertaking the e-procurement development should spend dedicated time project managing this project which would help considerably.

There is now a clear plan of activity which has taken place and continues to work on this element of the project. The Category Managers are challenging their colleagues across the Council and we currently have a list of activity which has identified £2m in savings with a further report going to One Council Board in December identifying further work in relation to the activity raised. I am confident this should demonstrate that this project has grip and traction and can progress to amber status.

There will be constant tensions with this project identifying the savings which are attached to it when many of the major procurement activities in the Council are attached, quite appropriately, to other transformation projects

**Fiona Ledden**  
**Director of Legal and Procurement**