

18 December 2017

Agenda Item: 5

REPORT OF THE SERVICE DIRECTOR – FINANCE , PROCUREMENT & IMPROVEMENT

RESTRUCTURE OF THE PROCUREMENT SERVICE

Purpose of the Report

1. The purpose of this report is to seek approval for the proposed staffing structure for the Corporate Procurement Service as set out in this report and in the structure chart at Appendix A.

Information and Advice

2. The Corporate Procurement Team is a service that provides advice and guidance to support the four key business areas in the Council. In 2015 the procurement function reviewed its structure in light of changing demands on the service, it recognised that it needed to realign itself to the needs of the business delivering consistent knowledgeable support. The realignment saw the strengthening of the Category Management approach to service delivery.
3. As the County Council continues to evolve the procurement function needs to ensure that it has a clear and unified vision about how it will continue to support the Authority. It was therefore recognised that there needed to be a re-examination of the procurement structure in order to organise the service to;
 - enhance the Category Management approach, strengthening the teams by aligning the Procurement Officers with the Category Teams, ensuring the right people with the right knowledge work together to support the business. This will help to build relationships and offer a more rounded approach to service delivery,
 - utilise the reorganisation of resources to increase partnership working, drive income generation, and work more collaboratively with other public sector partners,
 - develop procurement people for the future through access to working in diverse and interesting teams allowing them to grow their knowledge and work as part of the team to drive leaner and agile ways of working,
 - introduce an apprentice in order to nurture and grow procurement talent.

4. In addition to reviewing the service there is a need to contribute to the Resources Division savings commitments. The consequence of trying to find savings inevitably falls on staffing budgets. The Procurement Service has committed to delivering a £65,000 saving in 2018/19. This is in addition to savings delivered in the 2016/17 financial year, as 1 FTE Category Manager Post and 1 FTE Senior Procurement Officer Post became vacant, a decision was made not to fill them and as a consequence additional savings of £87,000 were released, it is intended that these posts will be removed from the structure as part of this re organisation.
5. Therefore consideration of the current staffing structure has been undertaken. In November 2017 a consultation document on a proposed restructuring of the department was issued. Comments on the proposals were invited by the closing date of 22nd November 2017 having received those responses further consideration was given to the proposals and a formal response was issued on 24th November 2017. This report therefore seeks to implement the proposals for the team.
6. In response to the consultation the final structure is proposed. The posts to be deleted and the proposed establishment are set out in the table below. Appendix A illustrates the current and proposed structures.

Current Structure - Posts	FTE	Proposed Structure - Posts	FTE	Vacancies
Group Manager Procurement	1	Group Manager Procurement	1	0
Team Manager Procurement	1	Team Manager Procurement	0	0
Category Managers	5	Category Managers	4	1
Senior Procurement Officers	7	Senior Procurement Officers	6	1
Procurement Officers	2	Procurement Officers	2	0
Policy & Strategy Officer	1	Policy & Strategy Officer	1	0
Apprentice	0	Apprentice	1	0
Totals	17		15	

Other Options Considered

7. The Procurement Service went through the commercial development unit programme in 2017/18 to explore options for income generation through selling the service and opening contracts for other public bodies to utilise. The programme concluded that there were limited options in generating significant recurrent income without major investment.

Reason/s for Recommendation/s

8. The recommendations are needed to progress the embedding of the new structure.

Statutory and Policy Implications

9. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

10. Provisional estimates for the cost of the new structure suggest that budget savings of up to £65,000 will be generated in a full year from the Procurement Team and these will contribute to the overall savings required by the Finance, Procurement & Improvement Leadership Division.

Public Sector Equality Duty implications

11. The restructuring of the Finance Division will be carried out in accordance with the County Council's employment and equalities policies.

Implications for Service Users

12. One of the main reasons for restructuring the Procurement Service is based on the approach that support services should make an appropriate contribution towards the Council's overall savings target to safeguard front-line service delivery. These reductions are planned to minimise the impact on the quality of the service provided to customers and key stakeholders.

RECOMMENDATION/S

That Committee approves the revised structure for the procurement function as illustrated in Appendix A.

Nigel Stevenson

Service Director for Finance, Procurement & Improvement and Section 151 Officer

For any enquiries about this report please contact:

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Constitutional Comments (KK 04.12.2017)

The proposal in this report is within the remit of the Finance and Major Contracts Management Committee.

Financial Comments (SES 04/12/17)

The financial implications are set out in the report.

HR Comments (JP 04/12/2017)

Staff and Trade Unions have been fully informed of the rationale for change and have been consulted on the proposed new structure. Where applicable staff will be supported through the redeployment process.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

Electoral Division(s) and Member(s) Affected

- All