Procurement Strategy

2015 – 2018
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Procurement Strategy 2015 - 2018
Forward

Procurement in Local Government has never been more important than it is today. The current economic climate brings new challenges to both the public and private sectors. This means as a council we need to use our spending power wisely and strategically to ensure that we support the economic, social and environmental wellbeing of our citizens and communities.

Procurement has a key role to play in ensuring that the Council continues to deliver high quality services to our residents, working in partnership and collaboration with commissioners and our key partners to realise joint benefits, supporting the local economy and providing opportunities for businesses to engage with the Council.

The aim of our strategy is to ensure procurement activities are undertaken efficiently and economically whilst contributing to the realisation of the economic, social and environmental benefits for the County, aligning with the strategic aims and objectives of the Council's Strategic plan and with other corporate and service strategies, plans and procedures to drive a “One Council” approach.
1. Introduction

This Strategy builds on the work already undertaken in the first strategy that was implemented in 2010. It sets out the future framework approach to strategic procurement in ensuring that this area of activity meets the requirements of Nottinghamshire County Council (the council) and aligns with the corporate aims and objectives of the Council.

The 2010 strategy focussed primarily on the operational activities, processes and metrics that were needed to implement the Business Management System (BMS) and to gain better visibility and control over what was being spent across the Council.

This Procurement Strategy (2015-18) aims to set the way forward over the next three years for the Council’s Procurement Centre, aligning with the strategic plan for the council, “Redefining Your Council”, Economic Development Strategy 2014-18, Equality Act 2010 and other Council policies. The Strategy will keep in step with changes in legislation such as the, “Local Government Transparency Code”, “Public Services (Social Value) Act 2012”, and the “New EU Procurement Directives 2015”.

The Strategy includes an action plan for the future, monitoring against which will be periodically reported through the Council’s Joint Commissioning and Procurement Board and to members as appropriate.

2. Context & Purpose

The Council is facing exceptional financial challenges and it needs to think differently as to how it provides services to its local communities. Procurement has a critical role in helping to deliver these services in a manner that secures the appropriate balance between cost effectiveness, quality and sustainability.

Taking an integrated approach to working alongside commissioners in supporting the identification of service needs, the procurement centre can help shape markets to deliver requirements and maximise the benefits from the Council’s buying power, whilst ensuring that we get what we pay for, through effective contract management.

2.1 Defining Commissioning & Procurement

Commissioning is the strategic activity of assessing needs, resources and current services, to develop a strategy to make best use of available resources to meet the assessed needs and desired outcomes. It is the informed design of what we want to deliver as our core business in meeting our priority outcomes for our citizens.

Procurement is the process of acquiring goods, works and services, covering acquisition from both third parties and in-house providers. The process spans the whole life cycle from identification of needs, through to the end of a works or services contract or the end of the useful life of an asset. It is supply market facing with its internal customer in the council. It involves options appraisal and the critical ‘make or buy’ decision. Procurement seeks value for money in how we deliver commissioning plans.

2.2 Commissioning and Procurement – the relationship

Commissioning & Procurement are not mutually exclusive. The procurement function is designed to support and deliver the commissioners intentions in a legal and compliant
manner. Whilst the procurement function sits centrally within the council, and commissioning sits within departments it is key that we develop and maintain strategic links to commissioners to ensure procurement activities are undertaken efficiently and economically. The Council’s Category Management approach to procurement brings together the expertise from commissioning and procurement across the Council to identify the most appropriate and effective approach to deliver required outcomes.

3. Commercial Challenges

As a Council we are accountable for demonstrating compliance with all relevant legislation and ensuring value for money. Given the reductions in Government funding and increasing demand for Council services, we are facing an unprecedented financial challenge.

Where our money is spent:

Against this backdrop the Procurement Centre will be required to:-

- Seek to adopt a strengthen commercial approached to better analyse market intelligence and data to strengthen our position with suppliers, understand their cost base and maximise income streams;

- Leverage the knowledge and capability of providers to co-design services in such a way that cost objectives, target levels of customer experience and innovation can be met, increasing the availability of mature markets for if and when we procure;

- Work with suppliers in finding ways to eliminate cost so that prices can be reduced, to support the bridge in our spending gap;

- Work to implement payment by results contracts without disadvantaging the third sector and small organisations who don’t have the balance sheet strength.
to finance long gaps between delivering interventions and being paid for successful outcomes;

- work to shape and stimulate markets to encourage and support innovation in services, quality, processes and cost, and identify and manage commercial risk;

- Provide support, guidance and engagement to our commissioners with managing the contracts that we let

4. The Council’s Core Values

Procurement has an important role in the delivery of value for money services and in doing so we need to ensure that we align to the Council’s, priorities and values.

**Values:**

The Council plans are built on three core values which will guide our decision making through the years ahead. In working to deliver the plans thinking in an innovative and creative way will be essential. Procurement has a key role in supporting the delivery of these values.

**Procurement:** will work with the council’s commissioning colleagues in departments to procure services that are targeted to meet the needs of the most vulnerable and disadvantaged. Engaging our communities in the planning and delivery of services

**Procurement:** will work with suppliers to foster creativity and innovation whilst delivering value for money. Providing good quality affordable value for money services

**Procurement:** will work in partnership with our commissioning colleagues to drive service delivery and change. We will seek to work in partnership and collaboration with other agencies and our supply markets
5. Setting the Direction for Procurement

5.1 Procurement Vision

“To work together with colleagues, partners and suppliers to develop imaginative Procurement and Commissioning solutions that bring quality, value for money goods and services for the people of Nottinghamshire and which also aim to deliver broader economic social and environmental outcomes”

5.2 Integrated Procurement, Commissioning and Contract Management

The overall direction for Procurement is to become more integrated with Commissioning and for the resulting management of contracts to be part of this integration.

5.2.1 Category Management – The Business Partner

Category Management’s close working relationship with commissioning colleagues is critical. They will need to develop a new flexible operating model based on better engagement with their customers and more effective planning of procurement activity that leads to corporate frameworks within which each department that maps their future procurement activity and develops one to three year plans against which resources can be allocated and performance measured.

Providing the commercial challenge to commissioning intentions, helping in their design and managing continuous improvement programmes with key suppliers all aim to deliver on-going cost reductions, service enhancements and innovation.

In order to deliver an integrated Procurement and Commissioning model we will take a Business Partner approach through Category Management to reach a point where all or a very high percentage of the Council’s spend within a category is being channelled through approved arrangements, aligned with strategic priorities.

The desired outcome is to buy more strategically, be more innovative and enable commissioners to get the most out of the market and suppliers.

To achieve this will require strong working relationships with our commissioning colleagues and a high degree of effectiveness in order to increase the delivery of sustainable value, an increase in compliance to procurement contracts and processes. Category Managers will need to develop a new flexible operating model based on better engagement and more effective planning of procurement activity.
5.2.2 Commissioning

The diagram below shows the relationship between commissioning and procurement. The commissioning cycle (the outer circle in the diagram) should drive the procurement and contracting activities (the inner circle). However, the purchasing and contracting experience must also inform the ongoing development of commissioning.

Fig 2. The commissioning Cycle

Effective commissioning forms a continuous cycle of action and improvement, from the identification of needs through to the review of delivery and achievements of outcomes through commissioning, procurement and contract management activities. Each stage is interdependent and builds on the previous one.

Creating joined up and clear approaches to Procurement and Commissioning is essential to achieve the optimum balance between service delivery and cost to support the delivery of the Commissioning Cycle

**Analyse:** Good quality baseline information is essential for supporting strategic commissioning. Understanding our resources, how they are allocated and how they offer value for money is imperative

**Plan:** By working with Commissioners Category Managers can develop strategic procurement plans that identify:

- Areas where performance needs to improve, providing a good understanding of requirements to achieve this;
- Initiatives and plans to optimise the outcomes for the service user whilst ensuring the most effective use of our resources and demonstrating value for money (VFM);
Possible gaps in future service provision using demand forecasting to understand where we need to build capacity and capabilities to meet needs;

**Do:** Implementing effective procurement will help us to realise the commissioning ambitions. Through;

- Developing and implementing work programmes in collaboration with our commissioning partners that have clear milestones and timescales for activities which we can measure ourselves against;
- Clearly understanding what the commissioners need and working collaboratively to develop outcome focused specifications;
- good stakeholder engagement in all projects;
- the exploration of sharing information, benchmarking and joining up procurement activities with our local partners;
- working with existing and potential suppliers to ensure there is market capacity to deliver our requirements. Effectively identifying where market capacity may be weak and where new markets may need to be developed in order to deliver against our requirements. This will encourage new, innovative supplier and delivery models;
- building strong, long term, positive relationships with our suppliers across all sectors,
- ensuring that Contract Procedure Regulations reflect developments in procurement legislation and EU guidance, and provide a robust framework to support the spending of Council money;
- the structuring of contracts in a manner that where possible provides added protection for the Council from risk and adverse movements in inflation,
- maximising value from our key suppliers through Supplier Relationship Management (SRM) the discipline of strategically planning for, and managing, all interactions with third party organizations that supply goods and/or services to an organisation in order to maximise the value of those interactions. In practice, it will entails creating closer, more collaborative relationships with key suppliers in order to uncover and realise new value and reduce risk.

**Review:** undertaking contract reviews in collaboration with our commissioning colleagues will enable good continued service delivery through:

- We will work with our supplier chain to ensure that both parties are delivering against the commitments within contracts and also build upon mutual experience and knowledge to embed continuous improvement practices throughout the contracted period;
- the development of effective Key Performance Indicators for all contracts which support performance management ensuring continually measurement and monitoring the performance, reliability and viability of contracts
5.2.3 Contract Management

There is a growing recognition of the need to automate and improve contractual processes. The need to satisfy increasing compliance and analytical requirements has also led to an increase in the adoption of more formal and structured contract management procedures and an increase in the availability of software applications designed to address these issues. Service delivery management ensures that the service is being delivered as agreed, to the required level of performance and quality.

Relationship management – keeps the relationship between the two parties open and constructive, aiming to resolve or ease tensions and identify problems early and to deliver continuous improvement;

Contract administration – handles the formal governance of the contract and changes to the contract documentation.

Procurement, Commissioning and contracting activities should be coordinated in both the planning and execution stages to ensure that customer needs are met at lowest cost and highest quality and that supply markets are managed, formed and shaped to meet both current and future needs.

Contract management can be successful if:

- arrangements for service delivery continue to be satisfactory to both parties
- the expected Council benefits and value for money are being achieved;
- the supplier is co-operative and responsive;
- the Council understands its obligations under the contract;
- there are no disputes;
- there are no surprises;
- a professional and objective debate over changes and issues arising can be had;

The management of contracts requires flexibility on both sides and a willingness to work together. Key Performance Indicators drive the monitoring of contracts and their delivery, and should be the focus for regular contract management meetings with suppliers. Good contract management also builds and manages a relationship with the supplier so that problems can be resolved effectively and a process of continuous improvement started. All of this means that the best way to manage a contract is to have someone who has the role of the "intelligent client".

The purpose of the intelligent client role is to avoid problems in contract delivery that result from a misunderstanding between the customer and the service provider as to what was expected or from unrealistic expectations. In order to achieve this, whoever has the role of the intelligent client needs both an in-depth knowledge of the client organisation and its needs as well as an understanding of what the service provider is and is not capable of doing.
The development of sound contract management processes and support from the Procurement Centre will enable a consistent approach to contract management to be embedded into the Council through;

- using clear and robust evaluation criteria;
- actively contract management;
- monitoring and reviewing contract management performance within the Council;
- identifying risks which exist in the performance of contracts;
- monitoring expenditure on individual contracts on an annual basis

6. Partnering and Collaboration

The strategic objective of partnering is the delivery of better services to Citizens through the creation of sustainable partnerships between councils and other public bodies they can drive better value through combined purchasing power, avoidance of multiple procurements and the use of wider experience.

We will seek to achieve this through the building of multi-organisation working groups and aligning strategies to go to the market together through joint framework agreements these economies of scale can be achieved.

These partnerships are a key component of achieving clarity about the ambitions and priorities of stakeholders. They can deliver savings through aggregating spend through effective collaboration, avoiding multiple procurements. They add benefit through the use of wider experience and combined expertise, encouraging the sharing of ideas and best practice, whilst driving the development of innovative ideas in the supply market

7. Social Value – Public Services (Social Value) Act 2012

The Council has a responsibility to consider ways of taking account of social considerations in public procurement subject to compliance with the Regulations and the fundamental principles of the Treaty for the European Union.

The Social Value Act places a requirement on the Council to consider how what is being procured may improve the economic, environmental and social well-being of Nottinghamshire. It is essential to manage the risks of procurement, balancing compliance and control to deliver the potential to innovate and achieve more significant savings and social outcomes.

Economic considerations are about the contribution to the local economy, retaining, recirculating and leveraging funds in the neighbourhood. Nottinghamshire County Council recognises that delivering economic growth and supporting the creation of new jobs is a fundamental objective of the County Council. Our Economic Development Strategy 2014-18 (http://www.nottinghamshire.gov.uk/thecouncil/plans/councilplansandpolicies/policy-library/?entryid100=400934&char=E) details how the Council will use its own resources and role to facilitate and drive this growth.

As a Council we want to grow this local economy and encourage local engagement in procurement activity where possible. It is recognised that the private and voluntary sector are important to our local economy and we need them to see Council contracts in a positive way and want to do business with us.
By advertising contracting opportunities on Source Nottinghamshire, we bring buyers and suppliers together, making it easier for businesses to find out about new sources of potential revenue and to grow and develop to the benefit of the local economy. Running “Meet the Buyer” events to encourage companies to engage with the Procurement Team to understand “how to do business” with the Council, and to ask questions about what the Council is trying to achieve with its procurement approaches will build relationships with our potential providers.

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Conducting Soft Market Testing events on large value tenders working with suppliers to undertake the appraisal of both project and procurement options will help drive innovation and support commissioning plans.

All this will be made easier by the changes in EU Directives which allow and encourage the splitting of large contracts into smaller lots are more appropriate to smaller suppliers (SMEs).

Social considerations are about the contribution to vibrant community based actions, equalities, diversity, inclusion and cohesion.

In accordance with Equality Act 2010, and Public Sector Equality Duty. We will encourage our suppliers to support our commitment to equality, fairness and transparency and, to be responsive to the needs of our communities, and to meet the diverse needs of all users to ensure no one group is disadvantaged, to commit to developing a diverse and inclusive workforce.

All providers with whom we contract for services are required to have sound equality policies and procedures in place, train their staff and review and revise their policies regularly. Monitoring compliance to this requirement will be managed through our review meetings.

We will seek to promote social value through initiatives such as apprenticeships and inviting suppliers (particularly those involved in major capital projects) to consider the use of local apprentices in their workforce or utilising local Small Medium Enterprises (SME’s) and the Voluntary Sector Services (VCS) in subcontracting arrangements and supply chains to encourage growth in the local economy. Such provisions should be considered on a case by case basis and ensure that all suppliers will be treated fairly and in a non-discriminatory way.

Environmental Considerations are about the contribution and extent to which we are reducing the Council and the community’s negative impact on the environment.

At Nottinghamshire County Council we are committed to protecting and enhancing the environment for present and future generations reducing the environmental impact of purchasing goods, works and services. Including environmental considerations in our procurement evaluations is through environmental considerations in our procurement processes and contracts, and by raising staff awareness will help embed this into all procurements that we undertake.

Environmental considerations are consistent with our need to demonstrate best value, by seeking to achieve the optimum combination of ‘wholelife’ costs and benefits to meet the County Council’s needs.

Using environmental selection criteria appropriate to the nature of the contract will further our environmental objectives. To seek to reduce the risk of noncompliance with environmental legislation and to ensure bidders have the technical capacity and capability to perform the contract as specified.
8. Health and Safety

There is a need to ensure that we have much more robust H&S clauses in contracts, that we evaluate H&S during the evaluation stage and that there is better supply chain management especially around major incidents. We will aim to ensure that contractors appointed by us have adequate health and safety policies and procedures in place through our tendering processors.

9. Addressing Innovation

The identification and procurement of innovative solutions for the Council needs is one potential way of delivering improvements in the quality and delivery of services, as well as assisting the Council achieve better long-term value for money. Stimulating innovation within the economy will enable the market to respond to current and future Council service needs.

Through the use of open innovation forums and early supplier engagement to explore the innovative ideas of potential suppliers to solve our problems, we will capture opportunities for innovation.

10. eProcurement

e-Procurement is integral to the overall development of procurement processes and involves the use of an electronic system/s to acquire and pay for supplies, services and works. The Council has recently invested in the e-procurement tool which offers e-Sourcing, e-Auction, Contract Management and Spend Analysis solutions to assist in alleviating the pressures faced by procurement professionals when purchasing and managing supplier relationships.

Through the deployment of the Business Management Systems (BMS) has enabled many operational tasks in the Procure-to-Pay cycle to become self-service. The role of the Procurement Centre is to provide advice and oversight of the effectiveness of this process, as well as authorise certain aspects such as the addition of new vendors and (in conjunction with Finance) and advice on the approval of contract waivers from Financial Regulations.

By further utilising e-procurement we aim to: reduce transaction costs; make processes more efficient; improve management information and visibility of spend; increase control and consistency of processes and improve spend compliance.

11. Effective People and Leadership

The Council aims to attract, retain and motivate high-quality, skilled procurement and commercial professionals and create ongoing opportunities for development; investing in training and coaching so that our staff become a source of capability and capacity to meet the council’s current and future needs.

Our Category Managers will need to have good skills in strategic thinking with commercial acumen, and procurement expertise. They will need to be good relationship managers with the ability to influence, have good communication skills, and be credible with stakeholders and suppliers. They will know their supply markets, cost drivers and understand the regulatory environment in which they work.

Investing in training and development programs for our staff will bring growth and succession planning to the team.
12. Embedding the strategy – Working Together

The traditional approach to commissioning is that of specifying a service and then engaging with procurement to run a tender for those requirements within the context of a price management approach. However, this this will not be sufficient to achieve the significant level of savings required now and in the future.

The Category Management approach needs to align with the Council’s on five core functions

- Children’s Families and Culture Services
- Public Health Functions
- Corporate Functions
- Place Functions
- Adult Social Care and Public Protection Functions

A key output from this alignment will be to have good open working relationships with our commissioning colleagues, a procurement plan for each category/sub-category which describes the options for procuring from supply markets and the benefits and risks of each. This is a key input to co-working with Commissioners by matching supply market capability and capacity to commissioning intentions in such a way that the desired outcomes are met at least cost.

Ensuring the development and implementation of effective commercial contract management practice and procedures will ensure that best practice becomes the norm.

Managing all suppliers as an extension to the Council’s own organisation will require a strong supplier relationship management programme that requires us to work closely with our contractors to deliver continuous improvement and innovation.

Continuing the early engagement of the market to test their reaction to our ideas and requirements for improved commercial performance and service delivery; supporting the development of sufficient capable and willing suppliers to meet the Council’s future needs

Asking our customers what they think of our services, how they think we meet their needs and what we can do to improve is key to shaping our strategies going forward and adapting our ways of working to meet the needs of the business.

Delivering increased opportunities for SMEs to access and participate in Council procurement and commissioning activities and developing clauses in our contracts to ensure that primary contractors are responsible for passing on prompt payments made to them

A clear approach to achieving our goals needs to be embedded through a clear understanding of what actions are required, by when, by who and their outcomes. It is crucial that our action plan is monitored and challenged through the Council’s Commissioning and Procurement Board.

The role of the Board includes oversight of:

- Higher value or complex procurement and commissioning activity
- The objectives commissioning and procurement strategies which underpin that activity and monitoring progress and performance
- Clear business needs having been identified prior to making commitments to undertake procurement
- Supplier Relationship and Market Engagement strategies
- Progress with the action plan for the Procurement Strategy
- An overall understanding of commercial procurement and commissioning activity across the Council
- Securing best value for money from procurement and Commissioning within available Council resources

### 13. Measuring & Monitoring our Performance

We will need to measure our performance using the balanced scorecard shown below, reporting progress against the scorecard. Measures will be monitored on a quarterly basis against pre-agreed targets and reported to the Commissioning and Procurement Board.

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<tr>
<th><strong>Social Value</strong></th>
<th><strong>Partnership</strong></th>
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<tr>
<td>% of contracts where SME's submitted bids</td>
<td>Number of collaborative contracts in place</td>
</tr>
<tr>
<td>% of Council 3rd party spend with local suppliers.</td>
<td>% of non-pay spend channelled through collaborative procurement arrangements</td>
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<tr>
<td>Number of new local jobs created linked to Council contracts</td>
<td></td>
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<tr>
<td>Number of contracts including social clauses</td>
<td></td>
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<thead>
<tr>
<th><strong>Value for Money</strong></th>
<th><strong>Organisation and People</strong></th>
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<tbody>
<tr>
<td>Value of savings delivered to directorates from tendering activity</td>
<td>% of compliant procurement carried out in line with best practice</td>
</tr>
<tr>
<td></td>
<td>% of contracts held on the corporate contracts register</td>
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<tr>
<td></td>
<td>Number of contracts terminated or failed prior to expected end date</td>
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<td></td>
<td>% of accredited procurement professionals</td>
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### 14. Procurement Action Plan

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<thead>
<tr>
<th>No.</th>
<th>Action</th>
<th>Target Date</th>
<th>Responsible Person</th>
<th>Target Outcomes</th>
<th>Review</th>
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<tbody>
<tr>
<td>1</td>
<td>Develop a Procurement communication and engagement plan for commissioners</td>
<td>December 2015</td>
<td>Group Manager – Procurement, Category Managers</td>
<td>Clear management of our communication and engagement activities, ensuring consistency from the Procurement Function</td>
<td>Quarterly</td>
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<td>2</td>
<td>Review our procurement Structure to ensure it aligns with the needs of the business and delivery of the strategy</td>
<td>September 2015</td>
<td>Group Manager – Procurement</td>
<td>Efficient and effective team that works alongside the commissioners, providing a consistent approach in the delivery of the business needs</td>
<td>Annually</td>
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<tr>
<td>3</td>
<td>Engagement with the Heads of Procurement Forums to understand other public sector organisations, their commissioning and procurement plans</td>
<td>Ongoing</td>
<td>Group Manager – Procurement, Team Manager</td>
<td>Identification of opportunities for collaboration to reduce costs of procurement and release savings through aggregation of spend</td>
<td>Monthly</td>
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<tr>
<td>4</td>
<td>Develop a collaborative work plan with colleagues from across the public sector</td>
<td>Ongoing</td>
<td>Group Manager – Procurement, Category Managers</td>
<td>Clear plan of action for working together, identifiable projects with the potential to improve service deliver and reduce cost</td>
<td>Annually</td>
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<tr>
<td>5</td>
<td>Review our approach to social value with Legal Services and develop a template for the team to follow</td>
<td>Complete</td>
<td>Group Manager – Procurement</td>
<td>Social Value policy and tool kit to embed across all procurement activity</td>
<td>Annually</td>
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<tr>
<td></td>
<td>Implement a Balanced score card to measure our progress</td>
<td>September 2015</td>
<td>Group Manager – Procurement</td>
<td>Allow the measurement progress of agreed projects with commissioners</td>
<td>Quarterly</td>
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<td>7</td>
<td>Collate all the contractual information from around the Council and centralise on e-procurement system</td>
<td>Complete</td>
<td>Group Manager – Procurement</td>
<td>Support effective contract management and understand spend in the organisation</td>
<td>Monthly</td>
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<td>8</td>
<td>Explore company risk profiles to establish an effective form to manage and mitigate supplier risks</td>
<td>In progress</td>
<td>Group Manager – Procurement, Category Managers</td>
<td>Better management and mitigation of supply chain risk</td>
<td>Quarterly</td>
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<tr>
<td>9</td>
<td>Develop an engagement plan for working with suppliers and Supplier Relationship Management (SRM)</td>
<td>October 2015</td>
<td>Group Manager – Procurement, Category Managers</td>
<td>A consistent approach to market engagement seeking to secure efficiencies within supply chains, develop subcontracting opportunities for local companies as appropriate, encourage innovation and new ideas of service delivery</td>
<td>Annually</td>
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<td>11</td>
<td>Establish the Commissioning and Procurement Board</td>
<td>Complete</td>
<td>Group Manager – Procurement</td>
<td>Assurance that commissioning and commercial outcomes are balanced to meet corporate objectives. Provide a forum for peer challenge to key projects, Provides a forum for discussing emerging issues,</td>
<td>Monthly</td>
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<tr>
<td></td>
<td>Description</td>
<td>Due Date</td>
<td>责任人</td>
<td>Details</td>
<td>Frequency</td>
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<td>12</td>
<td>Following a skills analysis exercise Develop a staff training and development plan</td>
<td>October 2015</td>
<td>Group Manager – Procurement</td>
<td>Clear succession planning, a team with improved skills to deliver the business needs, industrial updating for the staff, improved staff retention</td>
<td>Quarterly</td>
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<tr>
<td>13</td>
<td>Develop a procurement customer satisfaction survey</td>
<td>October 2015</td>
<td>Group Manager – Procurement</td>
<td>Gain a better understanding of our customers' requirements and concerns so that we can improve the services that we delivery</td>
<td>Annually</td>
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<tr>
<td>14</td>
<td>Develop a procurement handbook &amp; easy “how to” guides</td>
<td>On going</td>
<td>Group Manager – Procurement</td>
<td>Set out the fundamental rules, behaviours and standards applicable to public procurement, and provides an information guide for commissioners.</td>
<td>Annually</td>
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### Appendix 1: Glossary of Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
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<tbody>
<tr>
<td><strong>Business Management System (BMS)</strong></td>
<td>A centralised computer system that holds information about the Finance, Human Resources</td>
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<td><strong>Category Management</strong></td>
<td>A ‘Category’ is an area of spend determined by known market boundaries separating different products, services or industries. Category management recognises that suppliers within a certain market are likely to have similarities which enable a tailored approach to procurement.</td>
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<td><strong>Category Manager</strong></td>
<td>The Officer authorised by the Council’s Director of Corporate Resources to manage the procurement of a category or categories of goods, services and/or works. Category Managers work with commissioners on strategic plans for future procurement needs</td>
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<td><strong>Contract Management</strong></td>
<td>Is the management of contracts made with customers, vendors, partners, or employees. The personnel involved in Contract Administration required to negotiate, support and manage effective contracts are expensive to train and retain. Contract management includes negotiating the terms and conditions in contracts and ensuring compliance with the terms and conditions, as well as documenting and agreeing on any changes or amendments that may arise during its implementation or execution. It can be summarised as the process of systematically and efficiently managing contract creation, execution, and analysis for the purpose of maximising financial and operational performance and minimising risk.</td>
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<tr>
<td><strong>Council Policies</strong></td>
<td>Council policies, procedures, guidance and strategies designed to ensure high standards are maintained at all time</td>
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<td><strong>Transparency</strong></td>
<td>Due North is a leading provider of eSourcing and Contract Management solutions, deployed by over 200 public, private and not for profit organisations.</td>
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<tr>
<td><strong>Equality Act 2010</strong></td>
<td>Equality Act 2010 legally protects people with protected characteristics (age, gender, disability, race, religion or belief, pregnancy and maternity, sexual orientation, gender reassignment, marriage or civil partnership) from discrimination, harassment and victimisation</td>
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<tr>
<td><strong>European Union Public Procurement Legislation - Public Contracts Regulations 2006</strong></td>
<td>Public procurement law regulates the purchasing by public sector bodies and certain utility sector bodies of contracts for goods, works or services. The law is designed to open up the EU's public procurement market to competition, to prevent &quot;buy national&quot; policies and to promote the free movement of goods and services.</td>
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<tr>
<td><strong>Meet the Buyer</strong></td>
<td>Open forums for the local supply market to meet the buyers of the Council and to ask questions about up and coming contracting opportunities</td>
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### Procurement Business Partner

The role of the Procurement Business Partner is to identify and develop commercial opportunities and manage the commissioner/procurement relationship. Main Duties and Responsibilities:

- Providing procurement insight and input into the development of business strategy, including responsibility for the delivery of procurement strategy, in line with operational business needs;
- Supporting managers in enhancing business performance through improving the performance, capability and motivation of its people;
- Providing the procurement expertise to projects;
- Identifying and own procurement best practice on behalf of the business.

### Public Sector Bodies

For the purpose of this Strategy each of the following is considered to be a Public Sector Body:

- a local Council,
- a district Council,
- a borough Council,
- a government department,
- a fire and rescue Council,
- a police Council,
- a health Council,
- an association of or formed by one or more public sector bodies.

### Public Sector Equality Duty

It requires all public bodies to have due regard to the need to:

- **Eliminate unlawful discrimination**, harassment, victimisation and any other conduct prohibited by the Act.
- **Advance equality of opportunity** between people who share a protected characteristic and people who do not share it, and **Foster good relations** between people who share a protected characteristic and people who do not share it.

### Public Services (Social Value) Act 2012

An Act to require public authorities to have regard to economic, social and environmental well-being in connection with public services contracts; and for connected purposes. From 31 January 2013, local authorities have had to take into account the operative provisions of the Act when considering procurements of certain types of service contracts and framework agreements.

### Purchase-to-Pay process (P2P)

Often abbreviated to P2P, refers to the business processes that cover activities of requesting (requisitioning), purchasing, receiving, paying for and accounting for goods and services.

### Redefining Your Council

Redefining Your Council is a new approach to ensuring we can deliver services that the people of Nottinghamshire value in a sustainable way. It provides a framework for transformation and will ensure we can deliver our Strategic Plan priorities.

### Small to Medium Size Enterprises (SMEs)

Companies employing 250 employees or less.

### Soft Market Testing

Invitation to the supply market to engage with the Council around service deliver and market opportunity prior to the formal procurement exercise taking place. This allows for innovation and added value to the scope of the project.

### Source Nottinghamshire

A site that has been created to bring buyers and suppliers together, making it easier for businesses to find out about new sources of potential revenue and to grow and develop to the benefit of the local economy.
### Sustainable Procurement

Sustainable procurement is a process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis, in terms of generating benefits not only to the organisation, but also to society and the economy, while minimising damage to the environment.

### Value for Money (VFM)

Value for money is not about achieving the lowest initial price: it is defined as the optimum combination of whole life costs and quality.

### Voluntary Organisations

Voluntary organisations exist for their self-defined purpose and are not set up by law. They are independent and range from large service providers and registered charities to small groups and clubs that may not be formally constituted, and which between them cover the entire range of activities and policy areas. They may or may not use volunteers.