



Enfield Council's Procurement Strategy

A foreword from the Director of Finance and Corporate Resources

Enfield is determined to use all aspects of its procurement activities to generate demonstrably good value for its residents and partners. Our procurement strategy therefore needs to be constantly responsive to changes in the needs and aspirations of our citizens as well in the diverse and often fast moving markets from which we procure the goods and services we need to meet those aspirations.

This document shows our current thinking on our strategy. It outlines the direction we plan to take and the factors we need to consider on the way. We are publishing this now so that all our stakeholders can see how this thinking is developing and have the opportunity to consider how to work with us in the forthcoming months when we will be consulting and presenting a finalised strategy for formal Council acceptance and delivery.

I hope you will let us know what you think of our ideas.

James Rolfe

Director F&CR

Corporate Procurement Strategy

2008 – 2011

VERSION 0.3

A strategy to ensure that the Council has the right knowledge and capacity to make informed procurement decisions that provide the best services to the community.



Contents

1. Foreword	3
2. Executive Summary	4
3. Introduction	5
4. Current Position	8
5. The Way Forward	12
Appendix 1: Local Government White Paper 'Strong & Prosperous Communities	14
Appendix 2 Procurement Strategy Action Plan	1

1. Foreword

Welcome to Enfield Council's Corporate Procurement Strategy 2008 – 2011. This document builds on the original strategy approved by the Council in April 2005 and takes into consideration both national initiatives and local drivers, to changes in procurement practices. Its prime focus is to ensure that those involved in procurement understand the role they each have in helping the Council to achieve its efficiency improvement targets . The **Corporate Procurement Strategy** gives clear direction for all of the Council's stakeholders. The **Action Plan** that accompanies the Strategy is designed to be flexible and responsive to ongoing initiatives and will continuously evolve over the period 2008 -2011.

Following the publication of the National Procurement Strategy, Sir Peter Gershon's Efficiency Review and the White Paper – 'Strong and Prosperous Communities', focus on Local Government procurement has increased significantly. Today national government continues to place emphasis on procurement and its important role in delivering economic prosperity, environmental sustainability and community benefits. In Enfield we place a high priority on good value for money services, delivered with local and national partners,

This Procurement Strategy is aligned with the strategic aims and objectives contained within the Community Strategy and Corporate Vision to 'Make Enfield an **even** better place to live, work and visit'. The effectiveness of our procurement processes will have a considerable influence on the successful achievement of these Council priorities and will contribute towards making a real and positive difference to the services that we provide. The strategy builds on the progress to date and together with the Action Plan provides an outline of the Council's key delivery themes and objectives for the period 2008 – 2011.

2. Executive Summary

This revised strategy reflects progress made against the milestones set by the National Procurement Strategy and establishes how procurement will transform to meet to developments in technology and changing national and local priorities as stated in the Government White paper 'Strong and Prosperous Communities'.

The White paper has a significant focus on transforming public services, efficiency and delivering value for money throughout. In order to tackle difficult cross-cutting issues and maximise the value for money of public resources. The white paper is clear that services should be designed around the needs of the citizen and the community, not around the processes and structures of individual agencies, and places an emphasis on the need for collaboration with both statutory and non statutory partners to transform services.

The National Procurement Strategy suggests that Local Authorities should set a number of improvement priorities centred on the following themes:

- Providing leadership and building capacity
- Partnering and collaboration
- Doing business electronically
- Stimulating markets and achieving community benefits.

Enfield Council has adopted these and a range of targeted actions has been set locally to achieve these objectives. These form the Action Plan, which can be found at Appendix 2.

The changed priorities arising from the White Paper will impact upon all Council departments. Smarter procurement can provide the valuable extra resource to deliver best value services and reduce pressure on budgets.

The Comprehensive Spending Review 2007 (CSR07) sets specific targets for expenditure improvement. The most significant of these targets is the savings expected to be achieved through improved procurement practices. Nationally 57% of savings are expected to be delivered through procurement.

Improvements to the communities we serve will be achieved via a number of actions and initiatives, such as:

- increasing our use of electronic processes
- a greater degree of collaborative working across the region
- utilising common documents and processes to speed up tendering and reduce barriers to work with us

The Council will review its corporate and departmental arrangements for procurement and contract management during the first years of this strategy, including the resources to support those arrangements.

1. Introduction

This strategy defines the role of procurement within Enfield and demonstrates how procurement can contribute to the Corporate Vision to 'Make Enfield one of the best places to live, work, study and do business'. It also sets out how procurement will enable delivery of key Council priorities such as Place Shaping, Decent Homes and Building Schools for the Future.

The Enfield Corporate Procurement Strategy was adopted in 2005. Since that time considerable progress in aspects of procurement activity has been made locally, regionally and nationally. The objectives of this document are to present an update on this activity within the procurement and efficiency agenda, provide an overview of how future actions and proposals will fit into Corporate and National Government initiatives and introduce an updated development plan through to 2011.

National Context

Public Sector procurement is significant, it accounts for £125 billion ¹of spending. The Comprehensive Spending Review 2007 sets the scene for improvement and efficiency from July 2008 to 2011. Local Government is expected to deliver £4.9bn or 3% p.a. in efficiency savings by 2011. Of this it is anticipated that £2.8bn or 57% will come from procurement. Currently Enfield spends approximately £280 million per annum on goods, services, commissioning and construction works. Meeting the targets set by CSR07 will require efficiencies to be delivered by **ALL** areas of the organisation.

Procurement spans the whole life cycle from identification of needs, through to the end of a services contract or the end of a useful life of an asset. It involves an appraisal of all viable supply options to assess the best value for money for citizens, identifying the bid that offers the optimum combination of whole life costs and benefits to meet agreed specifications and then managing the performance of contractors to deliver the identified improvements.

Enfield Context

The adoption of this revised Strategy is essential to ensure that procurement continues to respond to the Council's developing Vision and Values. The Strategy will provide:

- i: a clearly articulated strategy for the Council's procurement activities
- ii: a published process which clearly communicates to external supply chains and other stakeholders how the strategy will be achieved;
- iii: ownership by all of the Council's devolved Service Areas with responsibility for incurring expenditure;
- iv: flexibility built in, enabling the strategy to evolve over time, in co-ordination with the continued developments to the strategic procurement activities;
- v: annual reviews to ensure the strategy remains focused and in-line with the Council's overall vision and business objectives;
- vi: an action plan that is integrated into the Council's business activities.

It is essential that effective procurement processes are adopted to ensure that Enfield Council continues to deliver best value. As many of the procurement functions are devolved throughout the organisation, the obligation to deliver value for money from the Council's spending is the collective responsibility of everyone involved with procurement. The Council depends upon these officers and other staff who carry out purchasing on a day to day basis, on Finance Teams to support officers in budget control and financial management and Legal Services for advice and guidance on

¹ 2005-06 figure from Transforming Government Procurement January 2007- HM Treasury.

contracting. To bring a coordinated focus to future efficiency improvements, a cross service LEANER Board has been established. The board oversees a series of projects designed to identify and capture efficiencies

The Corporate Procurement Team will continue to provide guidance and support to service areas, monitor national procurement initiatives, identify opportunities for collaboration and develop contacts, networks and partnerships to drive forward best value procurement in the local area.

Summary of Accomplishments

The Council's procurement strategy has been successful in providing guidance on best practice and identifying how improvements can be achieved. During the last three years, measurable progress towards key milestones has been accomplished by:

- Increased engagement with other authorities and government sponsored bodies to exchange ideas and best practice, and to identify areas for collaboration;
- The examination of all potential sources of supply, including in-house provision, buying consortia, framework agreements and competitive tendering;
- The continued development of relationships with the voluntary and community sector;
- The development of tools, templates and guidance to deliver quality procurement;
- Delivery of efficiencies in excess of those planned;
- Improved vendor management and compliance with procurement and purchasing policies
- Increased political awareness of how procurement delivers Council priorities.

The Way Forward

We recognise that the changing role and responsibilities of Local Authorities demands that, as the Council evolves and develops, work must continue to lead the way in setting standards, sharing best practice and working to improve the lives of local people.

The key objectives of this Procurement Strategy are to:

1. Ensure that procurement activity supports the Council's vision and priorities:
2. Procurement processes must balance cost with quality to deliver services that are effective, efficient and sustainable. Innovative solutions will be designed to achieve value for money and continuous improvement.
3. Council policies on equality and diversity, developing the local economy and protecting the environment must be promoted and supported.
4. The procurement selection and tender evaluation process must be used to identify suppliers who are committed to supporting the Council's Vision and objectives.
5. Ensure value for money
6. The prime objective of public procurement is to achieve value for money (VFM) by combining whole life costs and quality considerations to meet the customers' needs rather than the lowest short-term price. Effective procurement and whole life costing takes into account all aspects of cost over time, including capital, inflationary projections, maintenance, management, operating and disposal costs as well as the non-financial outcomes that will be delivered.
7. Support the local economy and businesses, including the Voluntary and Community Sector (VCS)
8. The business community will be encouraged to engage with the Council which will provide clear guidance and transparent processes that give equal opportunities to compete.
9. The VCS will be given additional support to enable them to understand how to do business with the Council. This will include, but is not limited to, training, mentoring and advice.
10. Continue to streamline back office processes
11. The capacity and performance of back office processes will be improved by increased use of technology
12. Processes will continue to be developed and streamlined to reduce transaction costs for frontline and back office systems, including the introduction of purchase cards, and an e-marketplace where that can deliver proven efficiencies.
13. Embed sustainability into the procurement process

14. The Council will contribute to sustainable development, make more efficient use of public resources, safeguard the local environment and avoid adverse environmental impacts arising in the supply chain.
15. Extend partnership working to provide extra capacity and even better value for money
16. The Council will seek to share resources and achieve economies of scale through joint procurement with other Authorities where mutually beneficial and help to develop a consistent approach to local authority procurement within the region.

This document sets out:

- Progress made against the National Procurement Strategy (NPS) Key Themes and Procurement Objectives.
- How the Authority will ensure that the need to allow local people and local communities more influence and power to improve their lives is recognised as detailed in the Government White Paper 'Strong & Prosperous Communities' (published October 2007).
- How effective procurement activity will contribute to delivering key local strategies including the Corporate Vision, the Local Area Agreement and the Sustainable Community Strategy,
- How the Procurement Strategy Action Plan will continue to deliver planned procurement activities in line with NPS milestones.

4. Current Position

The Corporate Procurement Strategy 2005 focused on the 13 themes and 15 procurement objectives identified in the National Procurement Strategy for Local Government (NPSLG), which are designed to make a reality of central government's vision for Local Government procurement. Progress against these objectives is set out below. The strategy for 2008 onwards will focus on a narrower range of themes to focus attention to deliver sustainable improvement within available resources.

4.1 Leadership & Commitment

Objective 1: Demonstrate high-level understanding of, and commitment to Procurement as a strategic activity.

- Procurement progress reports are submitted quarterly to CMB and LEANER Board to report on projects that identify and deliver efficiencies;
- Six monthly reports are submitted to the Audit Committee on compliance, waivers and annual amendments to the Contract Procedure Rules;
- The Special Projects Scrutiny Panel receives annual reports on compliance, and contracting with local business.
- The Corporate Procurement Team have a permanent role on the Commissioning Board for Adult Social Services and the Children's Service to ensure strategic planning incorporates procurement objectives and commonality across service areas and continues to develop best practice;
- Procurement resources and expertise across services have been identified to act as procurement champions and share best practice;
- The LEANER Board has been formed to co-ordinate efficiency improvements, including the monitoring and tracking of procurement projects.

4.2 Organisation and Capability

Objective 2: to create a strategic Procurement function with high level leadership and central & service area expertise utilising Category Management methods and tools to deliver the Council's priorities for procurement.

- The establishment of a team wholly focussed on procurement and purchasing processes and systems has led to significant improvements in vendor management within SAP and SRM and more user compliance with procurement/purchasing policies.
- The development of a contracts database has enabled the identification of category managers and responsible officers. It is also used by officers to identify existing contracts that may be accessed, thereby avoiding unnecessary procurement costs;
- Head of Procurement represented at all service area strategic procurement meetings;
- Early identification of strategic procurement projects to allow for informed options appraisal and planning e.g.: agency staff, protective clothing; aids and adaptations.

4.3 Governance and Risk

Objective 3: Review and promote user-friendly procurement rules with audit compliant controls, educate procurement staff and introduce a simple approval route ensuring a fully compliant and

efficient procurement process is embedded within the council.

- Revised Contract procedure rule were agreed by Audit Committee and Council in 2007;
- Constitutional requirement to review the rules annually to keep relevant;
- All procurement waivers reported to Audit Committee every six months to ensure proper oversight of this key issue;
- Standard Invitation to Tender and Pre-Qualification Questionnaire templates, standard Legal terms and conditions of contract for Goods, Supplies, Services and Consultants,; along with technical guidance and advice provided on the Enfield Eye
- Quality Assurance role on projects over £250K.

4.4 Procurement training and development

Objective 4: Conduct skills analysis & implement procurement training to ensure consistency of approach, supported by appropriate systems access and user competency development.

- Rolling programme of Contract Procedure Rules training in place (106 attended in 2007/8), to be built into HR corporate training programme from 2008.
- Joint Purchasing in SAP training with the SAP team (approx. 100 since 2007)
- Compliance workshops lead by CPT staff – this includes compliance with CPRs which covers all aspects of procurement and purchasing including P-cards, raising shopping carts in SAP SRM, and compliance with EU regulations.
- Contract management and specification writing training delivered following analysis of business requirements (60 people attended in 2008);
- Practical procurement training for the VCS (88 attended in 2007);
- The London Centre of Excellence Procurement training project offered free training modules on different aspects of the procurement process and a couple of these were taken up by devolved procurement staff.

4.5 Technology and E-procurement

Objective 5: Review all current and available technology solutions to ensure those required by the Council are obtained and utilised to provide optimum benefits.

- New active vendor management policy and process embedded;
- Intuitive e-form introduced for vendor requests;
- Fully electronic P2P with Office Depot using e-catalogue; (none of the other suppliers with high volumes of orders/invoices were technologically ready to go e-P2P at the time of SRM implementation. This objective carries forward into existing service plans/strategies)
- SRM systems configuration to allow incomplete shopping cards to be routed to lead buyers responsible for specific categories such as stationery, furniture and IT.
- The formal roll-out of Purchase cards allowed card use to increase 50% between April and September 2008 and the electronic reconciliation software PCCL implemented will support a further expansion in line with the new Low Value Strategy;
- Increase in payment by BACs to over 75% by volume and over 95% by value in August 2008 from almost nil in April 2007

4.6 Procurement management information

Objectives 6: Develop and mandate the use of a contracts database to support procurement activity and engagement of supplier community.

Objective 7: Ensure Procurement staff has appropriate access and control over procurement systems (SAP/R3 and Enterprise Buyer).

- Contracts database established and content uploaded to London Centre of Excellence (LCE) database;
- Contracts information reliant on departmental returns, Assistant Director briefing organised to increase returns;
- Visibility on the LCE website to suppliers of when Enfield's contracts expire;
- SAP licence and access decisions informed by Procurement systems officers;

- Procurement make final decision on vendor additions to the procurement module;
- Centralised Invoice payments team work with CPT to identify problem areas for development.

4.7 Collaborations and partnerships

Objective 8: To embed within the Council's procurement processes and procedures the pursuit of collaborative working arrangements delivering innovative category solutions providing benefit and minimising risk.

- Collaborative procurement with North London procurement authorities for the HOST organisation to support the establishment of the Local Involvement Networks for Health and Social Care (LINK). Collaborative transitional contract in place for April 1st to 30th June 08; full contract in place from July 2008. Enfield contract value £453K over 3.5 years;
- Joint procurement with Government Office for London and Defra for sustainable food framework contract for civic and schools catering (£7.2m over four years);
- Joint CCTV procurement with other London Boroughs and providing services to Transport for London;
- Collaboration with London Contracts and Supply Group on London wide Recruitment advertising contract resulting in a contract with Barkers worth £1.6.m over 4 years;
- Development of specification for agency staff requirements across London with the LCSG (Enfield spend approx £27m per annum excluding blue collar);
- Representation on LCE Energy Project team to produce better energy buying models and risk reduction strategies;
- Use of other public buying organisations-KCC LASER and OGC buying solutions to buy electricity, gas and liquid fuel.
- Partnership working with the PCT to identify commissioning compatibility to reduce costs, risks and increasing benefits to client and authority.

4.8 Third party procurement

Objective 9: Engage at early stage with 3rd Parties to identify innovative and joined-up solutions to community issues ensuring mutual benefit to 3rd Party and Council alike.

Objective 10: Make Council contracts for supply accessible to 3rd Parties to allow aggregation benefits to be realised.

- Strategic planning with the Integrated Children's Commissioning Board with partners from the PCT, Police and VCS to agree intervention strategies for children and young people. Corporate procurement advised on the options appraisal and preceding prioritisation of aims process. Providing advice on transitional arrangements and alignment of future specifications with funding related performance outcomes.
- Identification of barriers to the VCS as a result of the move from grant allocation to full commissioning by engagement at practical procurement training sessions and attendance at Voluntary sector strategy group
- Council contracts visible on the LCE contracts website;
- Visibility of council contracts to schools to enable them to access better pricing.

4.9 Value for Money

Objective 11: Develop a time-phased delivery plan including opportunities for the rapid delivery of benefits with the principles of Value for Money embedded within the Council's evaluation and award criteria.

- Guidance provided to officers on achieving Value for Money from evaluation criteria weighting and pricing evaluation mechanisms;
- Project planning tools provided to service departments to ensure delivery targets met;
- Development of performance outcomes with services to embed into service specifications e.g.; support for ECSL, ESSP and H&ASC on identification of measurable outcomes/outputs for inclusion into tender packs and contract management arrangements.

4.10 Sustainability, Equality and Regeneration

Objective 12: The Council's policies and statutory requirements will be integrated into the procurement processes, procedures, and evaluation criteria and promoted to both internal staff and external suppliers.

- Equalities Impact Assessments undertaken on Contract procedure rules and other procurement guidance, documents and templates;
- Participation in the Equalities Audit for the achievement of the Equalities Standard resulting in positive feedback from the Auditor and overall achievement of the requirements;
- Attendance at local and national events on promoting sustainability in procurement that has informed procurement advice to departments and a report to members on the need for a council policy statement on sustainability.;
- Presentation of recommendations paper on procurement and sustainability to Councillors at Climate Change Board. Members agreed with the recommendation that the Council needed a clear policy statement.
- All tender documents reviewed and amended to reflect local policy and national legislation.

4.11 Encouraging suppliers and developing markets

Objective 13: Incorporate market and supplier development opportunities into procurement activities whilst reducing the cost of trading with the Council and promoting and enabling access to these developments through existing and new marketing methods.

- Meet the buyer days held for Supporting People, Temporary accommodation, children's centres commissioning and sustainable food contracts;
- Procurement training for the Voluntary and community sector providers aligned with commissioning timetable in Adult social care and Children's service;
- Collaboration with Supply London and the North London Chamber of Commerce to develop market intelligence.

4.12 Procurement performance

Objective 14: Develop and implement agreed methods of procurement performance measurement and benefit redistribution.

- Contribution to LCE debate on performance indicators;
- Development of dashboard reporting progress on e-procurement targets, systems compliance and vendor management.

4.13 Contract management

Objective 15: Develop and implement Council Wide contract management procedures with controls ensuring adherence to the relevant governance requirements.

- Key contract managers identified and training delivered to 30 staff;
- Contract management guidance provided to services.

5. The Future of Procurement in Enfield.

The continued development of effective and timely procurement is essential to support the Council in the delivery of its vision and objectives and via the Corporate Improvement Plan and Local Area Agreement to improve services in the whole region. These Strategies aim to achieve community benefits and local priorities by building better co-ordination between central government, local authorities, Councillors, the voluntary and community sector, public service agencies and other partner organisations.

The Corporate Plan lists the key aims of:

Aim 1: A cleaner greener sustainable Enfield

Aim 2: Ensure every child matters and provide high quality education for all

Aim 3: A safer Enfield

Aim 4: A healthier Enfield where people are able to live independent lives

Aim 5: Provide high quality and efficient services

Aim 6: Build prosperous, sustainable communities

The detailed delivery plan in Appendix 2 sets out what will be delivered and by whom.

The Council as a whole undertakes procurement to put the goods, supplies, services and works in place that deliver or support the delivery of all the key aims. From tenders for waste vehicles, to the procurement of a service to reduce crime amongst young people, the advice and support provided by the corporate procurement team is invaluable in meeting Value for Money outcomes. The team has developed relationships within each directorate in order to fully appreciate what they are trying to achieve, thereby offering the most appropriate advice and support.

Corporate procurement is working closely with the Director of Environment and Street Scene on a procurement strategy that enables the production and implementation of waste strategy, using existing framework agreements to avoid costs and unnecessary delays in delivery. A similar procurement strategy is being pursued whenever a need is identified to avoid costs and increase collaboration with other public buying organisations.

Support for the Education, Children's Service and Leisure department includes support on the move to Commissioning, procurement strategy and advice on the cultural improvements to Forty Hall and the QEII stadium to support for schools asset management and Building Schools for the Future.

Corporate procurement have a permanent presence on the Adult Social Services Procurement Board and are therefore well placed to influence procurement strategy and to take advantage of any synergies with the Children's Service, that can be identified.

Support for the Environment and Street Scene and Place Shaping and Enterprise directorates to support the delivery of strategies and services that will meet Aims 1, 3, 4 and 6. With procurement input into the Waste Strategy, Place Shaping and Parks, there is considerable scope for a focus on robust processes that can deliver value for money as well as service outcomes.

The achievement of Aim 5 will be enabled by the LEANER programme, which will fundamentally change the way that the Council works and Aim 6 were 'Place Shaping' will draw together activities across all of the Aims to build prosperous sustainable communities. Procurement is integral to the successful delivery of these aims in its support and enabling role with all departments across the Council. In particular, in the delivery of projects that reports to the LEANER Board and strategic procurement advice on Place Shaping.

Procurement activity over the period 2008-2010 will build upon the progress made so far and continue to be delivered in accordance with best practice by focusing on:

- Savings achievement will be a particular challenge over the coming years. The National target for local government remains for the period 2008/09 to 2010/11 with the difference that efficiency gains are all expected to be cashable and thus the target will be more challenging as the Council will also need to finance efficiency initiatives as well as meeting these targets.
- Identification of priority procurement opportunities from the 2007-8 spend analysis of influence able spend that deliver cashable savings, reduction in demand and aggregation of requirements.
- Implementation of an E- procurement strategy, achieving savings by streamlining processes and reducing transaction costs;
- Supplier and contractor management processes, based on the assessment of “risk” posed by their contracted activity, as part of and in conjunction with the regular and ongoing reviews of performance.
- The contribution that can be made by engaging with the local community and voluntary sectors and encouraging the participation of small and medium enterprises and local businesses in our procurement opportunities
- Simplification of tender documentation and development of additional model documents for each stage of the tender process
- The embedding of procurement training in the Induction and ongoing Corporate Training Programme.
- The increased generation of revenue and reduction in the cost of procurement and procured goods and services by partnering with or contracting out our procurement skills, knowledge and needs to other Councils.
- Working with neighbouring Authorities to seek external funding to help facilitate more collaborative working

Monitoring of Strategy Progress

- The Procurement Strategy will be reviewed at regular intervals, at least annually by the Head of Procurement and Audit Committee.
- The Action Plan will be revised and refocused annually.
- Progress reports will be supplied to the LEANER CMB quarterly.

Compliance with this strategy is mandatory, as is compliance with corporate policies which have a procurement implication. Directors will only sanction exceptions to this on presentation of a verified business case.

This strategy is a live document, which will be subject to annual review by the Head of Corporate Procurement and amended to reflect any developments in national guidance or local priorities. Any additions, modifications or deletions from this strategy will be subject to Chief Executive Management Board. Significant changes will be referred to the Audit Committee

Appendix 1: Local Government White Paper 'Strong & Prosperous Communities'²

This government white paper on Local Government was published on 26th October 2006. The aim of this White Paper is to give local people and local communities more influence and power to improve their lives. It is about creating strong, prosperous communities and delivering better public services through a rebalancing of the relationship between central government, Local Government and local people.

The white paper suggestions for the reform of Local Government lie under key subject areas:

- responsive services and empowered communities
- effective, accountable and responsive Local Government
- strong cities, strategic regions
- Local Government as a strategic leader and place-shaper
- a new performance framework
- efficiency, transforming local services
- community cohesion.

The white paper proposes:

- to give people more choice over the services they receive and who provides them and deliver higher service standards
- to enable people to have more control over their lives by consulting them, involving them in running services, keeping them informed of the quality of services in their area and making local agencies accountable where service standards are not met.

In relation to procurement this means that focus continues on transforming local services by increasing efficiency and working collaboratively. Councils must continue to drive forward the transformation of local services.

Ambitious efficiency gains are required as part of the Comprehensive Spending Review. To help meet these there must be greater service collaboration between councils and other public bodies. Business process improvement techniques and greater contestability through the use of fair and open competition are also important drivers in the push to attain government efficiency targets.

² 'Strong & Prosperous Communities', Department for Communities & Local Government published 26 October 2006

Appendix 2

Enfield Corporate Procurement Action Plan 2008 - 2010

1. Introduction

This Action Plan sets out the actions required to continue to achieve the objectives of the Corporate Procurement Strategy. It includes measurable targets for a procurement programme that will support the Council's vision and values, ensure value for money, develop the local economy, protect the environment and deliver efficiency savings.

2. Key Targets

- Minimise transactions by paper means; increase electronic purchase to pay transactions- save money
- All services to adopt a consistent procurement approach which delivers best value- by increasing skills and capability
- Fully analyse spend analysis data for 2007/8 to identify potential for cashable efficiency savings and repeat annually - save money
- Consider all opportunities for working with neighbouring Authorities and supporting Regional procurement initiatives- save money from collaborative procurement.

The National Procurement Strategy also sets out recommendations for action in the areas of:

- Providing leadership and building capacity
- Partnering and collaboration
- Doing business electronically
- Stimulating markets and achieving community benefits.

The following action plan demonstrates how Enfield Council intends to use its resources to deliver measurable outcomes against each of the set criteria.

Key theme: providing leadership and building capacity

The strategic objective is that there should be a commitment from the top of each council (leader, chief executive, procurement champion) to procurement excellence by managing it strategically and resourcing it adequately.

Theme	Milestones to be prioritised for improvement	Rationale	Comment	Action	Action by TITLE	Target Date For Completion
Providing leadership and building capacity	Local Government editions of the Office of Government Commerce (OGC) standard terms and conditions of contract for ICT	Suppliers will benefit from a single core set and transaction costs can potentially reduced		OGC model contracts for services and supplies to be made available on the internal web pages.	Corporate & Community Law Manager	January 2009
Providing leadership and building capacity	Engage members on procurement as part of the wider efficiency and emerging 10 year strategy agendas	Leadership and effective policy development and scrutiny will be key to successful delivery	Member Procurement Champion to be identified to contribute to the delivery of the Strategy and engage other members in procurement issues.	Terms of reference to be agreed and Member Champion identified. Member Champion presence to be widely advertised to increase procurement profile.	Director of Finance and Corporate Resources and Head of Compliance	April 2009

Theme	Milestones to be prioritised for improvement	Rationale	Comment	Action	Action by TITLE	Target Date For Completion
Providing leadership and building capacity	Measure procurement performance against a local basket of measures derived from the AC/IdEA/LCE Local Performance indicators for Procurement and Construction KPIs	To chart progress against the NPS and benchmark with other councils on like-for-like bases by using standard PI definitions. This provides the information necessary to target areas for improvement and learn from higher performers	Consider all current benchmarking available e.g.: CIPFA, LCE etc	Identify appropriate indicators for Enfield	Head of Procurement	Quarterly
Providing leadership and building capacity	Embed higher level of procurement expertise across Council	Greater productivity of staff, reduced risk and better value	Procurement information to be provided to new and existing members of staff.	Procurement essentials to be incorporated into Induction Programme Training opportunities to be added to Corporate Training Programme	Senior HR Consultant – Head of Systems and Process - procurement Procurement managers	May-2008 As opportunities arise

Theme	Milestones to be prioritised for improvement	Rationale	Comment	Action	Action by TITLE	Target Date For Completion
Providing leadership and building capacity	Build the capacity of smaller suppliers and Voluntary & Community Organisations (VCOs) to win public contracts through economic development activity, including support to get online	The local economy will benefit if Small & Medium Enterprises (SMEs) VCOs Self Employed (SEs) Black & Minority Ethnic (BMEs) and Women's Enterprise (WEs) increase their success rate in bidding for public contracts by understanding how different parts of the public sector buy. Smaller suppliers need to get online if they are not to be disadvantaged by eProcurement.	Initiatives such as 'Selling to the Public Sector' event being held to encourage smaller suppliers and VCOs to compete for engage with the public sector.	Follow up training planned for October 08 on How to Tender.	Economic Development Team/Sustainable Communities/Procurement	October 2008- and ongoing
				Training needs analysis considered on large commissioning projects where procurement replaces grant allocation.	Service commissioning managers/ Procurement Manager	December 2008 to Feb 2009
				Common commissioning and procurement documentation across Enfield and the PCT.	Head of procurement- PCT- corporate commissioning board.	April 2009

Theme	Milestones to be prioritised for improvement	Rationale	Comment	Action	Action by TITLE	Target Date For Completion
Providing leadership and building capacity	A review will be undertaken of the Council's corporate and departmental arrangements for procurement and contract management including the resources to support those arrangements.			Preparation of business case rationale for investment to resource this objectives	Head of Internal Audit and Head of Procurement.	May 2009
Providing leadership and building capacity	Provide training and development on procurement, commissioning and efficiency best practice to service managers	Service managers will be called upon to play a central role in delivering efficiencies in adult care, children's services, housing, supporting people, waste management, libraries etc, with emphasis on procurement improvements	Training Needs Analysis survey and procurement training modules developed.	Procurement capacity training to be embedded into the corporate training programme Procurement considerations to be added to Managers Induction programme	Senior HR Consultant – Corporate Procurement manager Senior HR Consultant – Corporate Procurement manager	April 2009 October 2008

Theme	Milestones to be prioritised for improvement	Rationale	Comment	Action	Action by TITLE	Target Date For Completion
Providing leadership and building capacity	Develop Procurement website	Easier access to information reduces enquirers and officer time spent dealing with enquiries and ensures information is communicated consistently.	Work commenced on internal site, working with web content management team to improve external site.	Maintain and update site adding information and guidance	Head of procurement systems and process	Monthly reviews
Providing leadership and building capacity	Contract compliance	Encouraging users to utilise existing contracts will reduce administrative effort, reduce risk, maximise leverage and allow best contract price	Range of corporate contracts to be considered and expenditure in these categories to be incorporated	Identify, quantify and reduce "maverick" spend (i.e. off contract). Identification of wrongly categorised spend and re-allocation to correct category.	Procurement systems team and head of procurement systems and process.	April 2008 & then ongoing

Theme	Milestones to be prioritised for improvement	Rationale	Comment	Action	Action by TITLE	Target Date For Completion
Providing leadership and building capacity	Review of suppliers with high level of expenditure.	There is potential for cost reduction and/or service improvements from a number of suppliers whose contracts have not been recently reviewed.	Issues identified include <ul style="list-style-type: none"> • Contracts renewed by annual extensions • Multiple service areas contracting with the same supplier Contract Register details are incomplete	Identified issues to be raised with Internal Audit. Programme of supplier engagement/discussion to be undertaken by nominated service leads	Head of Audit, Head of Procurement Service ADs	December 2008 April 2009
Providing leadership and building capacity	Contracting support for services	Professional help and guidance provided by the Corporate Procurement Team will help ensure a consistent approach to procurement which will maximise savings and efficiency improvement opportunities	The Director of Finance and Corporate Resources will review the programme of activities proposed by the Corporate Procurement Team and agree priorities for support.	Provide advice guidance and leadership to services for a range of contracting activity as agreed	The Director of Finance and Corporate Resources/Head of Procurement.	Ongoing

Theme	Milestones to be prioritised for improvement	Rationale	Comment	Action	Action by TITLE	Target Date For Completion
Providing leadership and building capacity	Strategic review of procurement opportunities	A strategic approach to supplier segmentation will focus resources on those areas likely to achieve the best results.	Separate reviews to be undertaken by nominated officers across services.	ADs to lead on the report on savings and efficiencies identified. Agreement to be reached on indicated action for each supplier/market segment Establishment of corporate contracts for areas of common supply	Service ADs Corporate Procurement	TBC- resource reliant

Key theme: 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 suppliers in the public private, social enterprise and voluntary sectors for the delivery of services and the carrying out of major projects, including construction.

The strategic objective of collaboration is to obtain better value by bringing councils and other public bodies together at local, regional and national levels to combine their buying power and create shared services

Theme	Milestones to be prioritised for improvement	Rationale	Comment	Action	Action by TITLE	Target Date For Completion
Partnering and collaboration	Exploit quick wins through use of purchasing consortia	Critical first step in the efficiency agenda.	Significant increase in the use of purchasing consortia in 2007/8.	<p>Increase visibility of all purchasing consortia and actively promote the call-off existing contracts prior to own tendering.</p> <p>Increase the availability of Enfield contracts to other public contracting authorities on new tenders.</p>	<p>Systems team/Procurement managers</p> <p>Procurement Managers</p>	<p>Ongoing</p> <p>Immediate and ongoing</p>

Theme	Milestones to be prioritised for improvement	Rationale	Comment	Action	Action by	Target Date For Completion
Partnering and collaboration	Where opportunities exist to collaborate to create shared services and for joint procurement, including construction and service delivery	In the efficiency context, need to exploit scale economies and other benefits of collaboration	Current participation in LCSG contracts re-tendering Agency staff contract and Protective Clothing for London. Joint procurement with Camden for CCTV security guards.	Work with other authorities in developing joint procurement models and adopt where applicable and of benefit.	Head of CCTV/Head of HR/Head of procurement	Contract timetables for tendering for each project

Key theme: doing business electronically

The strategic objectives are:

- To achieve efficiencies in the procure-to-pay cycle including reduction in cycle time and transaction costs. This will free resources that can be directed into frontline public services.
- To use eMarketplaces to assist councils to access framework agreements and contract.

Progress will be monitored by means of the monthly Dashboard and against targets contained within the E-procurement and Low value strategy.

Theme	Milestones to be prioritised for improvement	Rationale	Comment	Action	Action by	Target Date For Completion
Doing business electronically	Expand usage of purchasing cards	Fewer invoices to process. Better management information and control. In line with Low Value Strategy	Implementation of electronic p-card reconciliation software already taken place. Strategy to replace Imprest and Petty cash with P-cards where appropriate, in place. Targets in place for increase in cards.	To analyse transactions to ensure compliance with card use policy. Liaise with Head of AP team to identify potential card users.	Head of Procurement systems and process/Head of Accounts payable.	Commenced August 2008- ongoing. Target of 80 cards by April 2009
Doing business electronically	Implement a 'procure-to-pay' ePurchasing solution that can link to an eMarketplace	Every council should implement a solution that enables purchases to be made over the internet from catalogues and update the financial system. This will enable the benefits of eMarketplaces to be exploited.	A strategy for developing the Council's e-procurement has been drafted for agreement.	Marketplace solutions being explored to inform business case and ability to deliver cost effective electronic invoicing/ordering improvements.	Head of Procurement systems and process /consultant Finance (AC)	October 2008

Theme	Milestones to be prioritised for improvement	Rationale	Comment	Action	Action by	Target Date For Completion
Doing business electronically	Increase compliance with SRM ordering process.	There has been an increase in the use of SRM to place orders however a significant number of these are placed after the invoice is received. This is a barrier to increased automated e-procurement.	Work commenced in 2007/8 and non-compliance is reported monthly to the Director of F&CR and to each departmental AD Resources	Meetings scheduled with AD resources in each Service to agree action plan	Head of procurement systems and processes.	Action Plans to be in place by January 2009.
Doing business electronically	Consolidate invoices for large volume suppliers-utilities, telecoms	Strategy to reduce volumes prior to implementation of e-invoicing solutions.	Work commenced in 07/8 on telecoms and utilities. Further rationalisation planned under new flexible energy contract with KCC Laser.	Complete consolidation of suppliers identified in 2007/8	Head of procurement systems and processes/ITS procurement manager/energy team/AP team	April 2009 for consolidation.

Key theme: stimulating markets and achieving community benefits

The strategic objectives are:

- Engage actively with suppliers
- Use procurement to help deliver corporate objectives including the economic, social and environmental objectives set out in the community plan

Theme	Milestones to be prioritised for improvement	Rationale	Comment	Action	Action by	Target Date For Completion
Stimulating markets and achieving community benefits	Inform potential suppliers of business opportunities	Supports the Council's Vision to develop a vibrant, sustainable community and ambition to improve the local economy	List of contract opportunities published on Council website.	Review and update bi-monthly	Corporate Procurement Manager	Bi-monthly
	Provide training to SMEs and public sector clients on SME-friendly procurement processes.		Promote the use of Supply2gov SME portal by Council service areas.	Communicate benefits and encourage use of this site by service areas	Corporate Procurement Manager	Ongoing
	Attend North London Chamber of Commerce supplier event	Raise Enfield profile in business community.		Contact NLCoC for dates of meetings and events.	Head of Procurement	

Theme	Milestones to be prioritised for improvement	Rationale	Comment	Action	Action by	Target Date For Completion
Stimulating markets and achieving community benefits	Increase capacity of the VCS to tender for opportunities especially in adult and children's services.	Increased focus on 3 rd sector commissioning. Contract procedure rules apply to grants.	Practical procurement training held in 07; how to tender training scheduled for 10/08.	Implement corporate commissioning strategy and common suite of tender documents	Head of procurement/corporate commissioning board.	August 2009
Stimulating markets and achieving community benefits	Review the relationship of procurement to the community plan, workforce issues, diversity, equality and sustainability	Build diversity and equality considerations into procurement processes and contracts, where relevant to contract.	Ensure that all suppliers to the Council are aware of the relevant legislation and have policies in place or are prepared to adopt the Council's policies.	Conduct regular equalities audit checks to ensure procurement/tender documents up to date with legislation	Equalities Officer/ procurement manager	At least annually.
Stimulating markets and achieving community benefits	Review the spend analysis from 07/8 to identify markets for development.	To understand demand and supply side capacity to deliver, especially in the VCS.	Additional support needed to deliver this in short term.	Appoint external consultant/interim to undertake gap analysis to then produce a supplier relationship strategy.	Head of procurement	November 2008 to appoint. March 2009 to deliver plan.

Stimulating markets and achieving community benefits	Cut carbon emissions and develop an integrated response to climate change	National Government Strategy 'Securing the Future' recognises that procurement has an important part to play in achieving sustainable development objectives	To contribute to the delivery of energy efficiency in all council contracts. To identify best energy procurement models to minimise risk	To liaise with the Head of Property Services to monitor council buildings to determine opportunities to increase energy efficiency via the introduction of energy saving measures and contracting arrangements.	Head of Property Services/Head of procurement	Ongoing.
Stimulating markets and achieving community benefits	Ongoing efficiency savings to be built into all Council contracts	In line with CSR07 procurement activity is to contribute towards achievement of 3% efficiency savings target.	Some departments already build in cost reductions as part of contracting e.g.: adult social care. Major culture change needed to embed performance /price management.	Guidance to be issued to Service departments on how efficiency savings targets are to be implemented captured and centrally monitored.	Head of Finance/head of procurement/Service ADs	June 2009