

The strategy

- 31 This strategy seeks to set out a clear 'road map' of what the Council wants to achieve in respect of procurement over the next three years based on a clear understanding of:
- a) how the procurement agenda has developed since the Council adopted the original framework strategy for procurement and initial medium term plan for development and improvement running between 2004/05 – 2006/07 across a range of key service themes or 'continuums';
 - b) the current baseline position at the Council in respect of each of those continuums further to the work done over the last 3 years;
 - c) what, realistically, can be achieved over the next 3 years to make further progress within known funding, resourcing and technological constraints;
 - d) what actions are therefore needed and over what time-scales to ensure the effective deployment of this strategy by the end of 2009/2010.
- 32 An analysis of a, b and c above, has been prepared on the basis of a set of key service continuums derived from the strategic objectives for procurement set out on pages 10 & 11 of this document. The continuums chosen include:
- VFM, competition & efficiency;
 - Performance management;
 - Sustainability;
 - Partnership & collaboration;
 - Standards & governance;
 - Staffing & organisation;
 - Equalities & inclusion;
 - New technologies;
 - Ethical purchasing.
- 33 Each continuum contains within in it a series of sub-set considerations. These are set out on pages x-x. Each continuum sets out the key features that might be expected in relation to different levels of performance based on a scale of 1 – 7 where:

<p>1 = failing 2 = poor 3 = inadequate 4 = satisfactory 5 = above average 6 = good 7 = excellent</p>

- 34 These continuums have then been used to assess where the organisation started from, the current position and what can be achieved over the next 3 years within known funding, resourcing and technological constraints. Each sub-set consideration has therefore been marked to clearly indicate the following:



Starting position at end of 2003/04



Current position at end of 2006/07



Aspiration by end of 2009/2010

- 35 As the continuum analysis demonstrates the organisation has achieved a great deal over the last 3 years. On average overall arrangements now equate to somewhere between a '3' and a '4', having averaged a high '1' to borderline '2' before the creation of the current Corporate Procurement Team, deployment of the Council's original framework strategy for procurement and implementation of the first 3 year action plan (2004/05-2006/07) for improvement and development.
- 36 Clearly, however, there remains a great deal to be done across the piece to now move the organisation forward and put it firmly on the road to excellence. The ambition set out in this strategy and the accompanying action plan at Annex A will ensure the organisation is able to position itself firmly in the range of '5' to '6' over the next 3 years with a view to then moving up to excellence after 2010 when step-change improvement opportunities will be afforded by:
- a) the move to one-site operations at Hungate, and;
 - b) the realisation of medium to long term benefits of much work now in progress to modernise procurement practices at the Council through the planned use of new technologies come on stream.
- 37 Whilst a realistic assessment of what is achievable over the next 3 years, the medium term ambitions set out in the continuums are challenging and represent significant stretch targets for improvement within existing arrangements. It will therefore be vital to keep these under on-going review as the new action plan is implemented to ensure the strategy can be achieved. Key areas for action that will support progress across all service continuums will include:
- a) the development of fully worked up policy statements to establish a robust framework for procurement worked up from the principles and policy 'headlines' set out on pages 7-9 and 14 & 15 of this document respectively that is fully aligned with the future corporate strategy of the Council;

- b) fully embedding across all parts of the organisation the regulatory and compliance framework established following the review of the Constitution and adoption of new financial regulations and procurement rules in May 2006;
- c) developing overall organisational skills, knowledge and competencies through targeted training and support to departmental commissioning officers and directed work with the staff 'procurement community';
- d) reviewing the organisational management of procurement activities across the organisation in the lead up to one-site operations at Hungate to optimise the best use of scarce specialist resources in future years;
- e) developing the planned use of new technologies to support the management information needs of the organisation, promote effective contract and supplier management practices, build-in light touch monitoring arrangements to ensure compliance and promote good governance, achieve administrative efficiencies and process improvements, communicate effectively with our key stakeholders, partners, customers, suppliers and the wider community;
- f) establish a robust approach to whole life costing to support effective bid evaluation processes that enables the organisation to exercise and demonstrate balanced procurement judgements based on the whole life value of goods, services and works that fully reflect all policy considerations in the decision making process;
- g) ensure partnering, shared service and other collaboration opportunities can be fully exploited in support of the Council's overall strategic ambitions and management considerations in future years.

38 A detailed action plan setting out what will be done further to this strategy and in what time-scales is attached at Annex A. The arrangements for monitoring and reporting progress on the strategy and action plan over the next 3 years are set out on page 29 of this document.