

# **Medway Council Procurement Strategy 2013-16**

## **One Year On**

## **Background**

When Medway Council first presented its 2013 – 2016 Procurement Strategy it wanted to ensure that the work we were doing was making Medway a great council to do business with.

The Council set itself fourteen ‘measures of success’ across the following four key strands:-

- Supporting the local economy
- Reducing red tape
- Improved services, better outcomes
- Intelligent spending



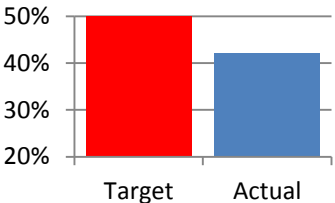
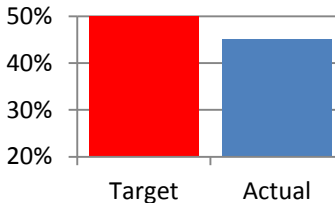



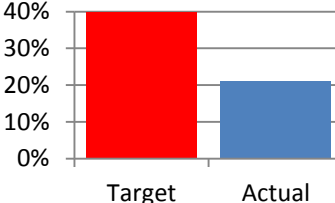
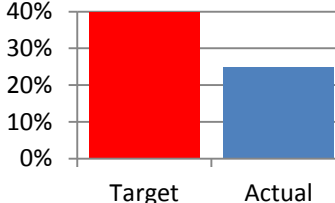
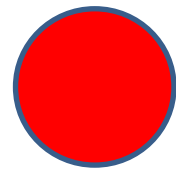








Below is a summary of our progress in the year June 2013 to June 14 against those measures of success. As you will see we have made real progress against the majority of them in this first year and are positive that we will continue to achieve these going forward.





## **Summary 2013/14**




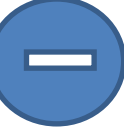

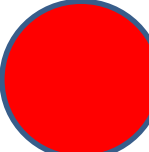






- 10 measures of success already met or exceeded.
- 2 measures of success slightly underachieved but good progress made.
- 2 measures of success underachieved with further work needed.

## **Details**

Set out below is the detailed performance against each of the measures of success.

Strand	Measure of Success	Success Is	Short Trend	Financial Year		Progress to Date	Commentary
Supporting the Local Economy	50 % of third party controllable spend is with SME's			<b>2012/13</b> 	<b>2013/14</b> 	 This 'Measure of Success' is slightly below target	An analysis of our spend data for the year 13/14 shows that 45% of our spend went to SME's (compared to 42% for the same period in 12/13). This is a marked improvement on last year and shows significant progress.
Supporting the Local Economy	40 % of third party controllable spend is with local SME's			<b>2012/13</b> 	<b>2013/14</b> 	 This 'Measure of Success' is below target	An analysis of our spend data for the year 13/14 which shows that 25 % of our spend went to local SME's (compared to 21 % for same period in 12/13). Whilst not as high as we would have liked, it is a step in the right direction.
Supporting the Local Economy	Contractors that receive more than £1 million per year from the council support at least one apprentice at any time during the life of the contract					 This 'Measure of Success' has been met or exceeded	8 apprenticeships have been created through Medway's joint venture company - Medway Norse. A further 22 have been created through the re-tendering of our HRA Repairs & Development Work contract. Potentially a further 5 are due to be supported through the construction phase of the contract for Abbey Court.
Supporting the Local Economy	Young unemployed people, care leavers, disabled people and ex-service personnel are getting apprenticeships through our suppliers					 This 'Measure of Success' has been met or exceeded	We have encouraged suppliers to create links with 'Looked After Children's Team' and other support services to advertise apprenticeships to these hard to reach groups. Two young people with learning disabilities and one care leaver have secured apprenticeships with suppliers to the Council.
Reducing Red Tape	The Council will introduce an e-Procurement System that will enable providers to register once and be alerted about all procurement opportunities by September 2013		Complete Sept 2013			 This 'Measure of Success' has been met or exceeded	The Pro Contract e-tendering system was installed in September 2013 and is currently used for all invitation to quote & invitation to tender opportunities above £10K. So far feedback from suppliers has been good with 90% saying they felt positively about it in our last external satisfaction survey.

<p><b>Reducing Red Tape</b></p>	<p>The Council will reduce the average timescale of Procurements from 140 days to 50 days by September 2014</p>			<p><b>2012/13</b></p> 	<p><b>2013/14</b></p> 	 <p>This 'Measure of Success' is slightly below target</p>	<p>Through the use of e-tendering, frameworks and Prior Information Notices (PIN), the Council has managed to reduce the average timescale for procurement let during the current financial year to just 59 days. We are on course to achieve this target.</p>
<p><b>Reducing Red Tape</b></p>	<p>Suppliers tell us that our processes are straight forward, less bureaucratic and that we have reduced red tape</p>					 <p>This 'Measure of Success' has been met or exceeded</p>	<p>Feedback has continued to be positive from our supplier events held throughout the year – specifically in relation to the Kent Business Portal. Many suppliers say that the introduction of a single place to find tender opportunities and the transparency of the system has improved our processes. <i>“It is nice to partake in such a well organised and efficiently managed procurement process”</i> – Rundle &amp; Co Ltd.</p>
<p><b>Reducing Red Tape</b></p>	<p>Suppliers tell us they find it easier to spot opportunities to bid for work</p>					 <p>This 'Measure of Success' has been met or exceeded</p>	<p>The number of Medway suppliers registered on the Kent Business Portal has increased significantly during the last 12 months. As of November 14 there were in excess of 1000 Medway based suppliers compared to 200 suppliers the previous year increasing the visibility and competition for Medway opportunities.</p>
<p><b>Improved Services, Better Outcomes</b></p>	<p>A minimum of 80% of procurements over £3 million will include pre-tender dialogue with suppliers</p>			<p><b>2012/13</b></p> 	<p><b>2013/14</b></p> 	 <p>This 'Measure of Success' has been met or exceeded</p>	<p>100% of pre tender dialogue events have been held for all contracts in excess of £3 million covering areas such as HRA Repairs &amp; Maintenance, Agency Staff, Carers Support, and Residential Care (DPS).</p>
<p><b>Improved Services, Better Outcomes</b></p>	<p>We can show you examples of council services that have Improved through better procurement</p>					 <p>This 'Measure of Success' has been met or exceeded</p>	<p>There are two case studies available (Homecare &amp; Chlamydia Screening) via the Councils website that show how better procurement has improved services. Visit <a href="http://www.medway.gov.uk/businessandinvestment/procurement/casestudies.aspx">http://www.medway.gov.uk/businessandinvestment/procurement/casestudies.aspx</a></p>

<b>Improved Services, Better Outcomes</b>	The people that use council services, residents, community organisations and partners tell us that the goods and/or services being procured meet their needs and, where appropriate, they are involved in the procurement process					 <p>This 'Measure of Success' has been met or exceeded</p>	As part of the review of the Homecare contract we were pleased to see an average of 83% quality scored across the 19 new providers.
<b>Intelligent Spending</b>	Reduce by 25 % the number of invoices with a transaction value of less than £500 by September 2014 with the introduction of Purchasing Cards					 <p>This 'Measure of Success' is below target</p>	The introduction of Purchasing Cards will be re-considered in 2015.
<b>Intelligent Spending</b>	Our suppliers come to 'Meet the Buyer' events, engage in pre-procurement dialogue and, if appropriate, we secure their input and expertise to develop our services					 <p>This 'Measure of Success' has been met or Exceeded</p>	A number of Meet the Buyer events have been held with high levels of attendance and feedback across categories such as Construction, Professional Services and People Services. Feedback has been key from these events in terms of understanding the market and helping to develop our respective procurement approach.
<b>Intelligent Spending</b>	Local Chambers of Commerce, the federation of Small Businesses, other local business associations, other representative trade and industry bodies and voluntary sector representative groups engage with us in developing our procurement approach					 <p>This 'Measure of Success' has been met or Exceeded</p>	Both the Kent Chambers of Commerce and the Federation of Small Businesses have endorsed our 'How to do Business with Medway Council' booklet. Tudor Price, Business Development Manager of Kent Chambers of Commerce, said " <b>of all the councils in the county, Medway Council procurement team are probably doing the most to engage businesses</b> " at our Procurement Event on the 30 <sup>th</sup> April 2014.

