

Procurement Strategy Objectives

Engaging Councillors						
#	Objective	Description	2020 Score	2020 Comments	2021 Score	2021 Comments/Progress
3	Councillor Development	The extent to which councillors are offered personal development programmes to support collaborative procurement.	1	<p>Comment(s): No formal training for councillors on procurement and commercial issues. To attain a '3', the Council needs to illustrate: Councillor development programmes include procurement and commercial modules for all participants. Training equips councillors in executive and overview and scrutiny roles to ask the right questions.</p> <p>Action(s): Category Management needs to create Councillor development programmes in relation to procurement to assist with delivering collaborative procurement.</p>	2	<p>Whilst no formal training exists, an increase in the number of conversations and referrals to procurement from members, illustrates greater awareness and planning. This action leads to specific training or development.</p> <p>Action to be rolled into year 2.</p>
Engaging Senior Managers						
#	Objective	Description	Initial Score	2020 Comments	2021 Score	2021 Comments/Progress
6	Processes	The extent to which procurement commercial advice is sought for managing projects.	2	<p>Comment(s): At present, Medway has a Structured approach but not explicit about role of commercial and procurement advice.</p> <p>Action(s): Category Management must therefore revise and make the intranet pages more welcoming and engaging for all potential users. This will advocate the structured approach required as well as yielding better results in all areas due to consistency and early involvement.</p>	3	<p>Procurement has much higher involvement rates than in previous years due to demonstrable benefits of its inclusion at an early stage of projects. The procurement team has a seat at internal governance boards and stands accountable for procurement decisions made and progressed. Intranet pages have been reworked to be more concise and information to ensure the right outcomes are achieved.</p>
7	Senior managers development	The extent to which the management team is trained in procurement and commercial decision making.	2	<p>Comment(s): It was considered that whilst all senior management have an understanding of procurement there is little specific Medway training or literature regarding the process specifically for this group.</p> <p>Action(s): Category Management to create and distribute a procurement related development programme.</p>	2	<p>As with Councillor development, the issues have been broached on an as and when basis, enriching the understanding of the issue at hand. These conversations have resulted in greater procurement awareness and in turn better and more consistent interactions.</p> <p>Whilst training has not been created and distributed, the objective has been addressed in a more relevant means. To be rolled into year 2.</p>
Creating commercial opportunities						
#	Objective	Description	Initial Score	2020 Comments	2021 Score	2021 Comments/Progress
15	Options appraisal (Make/Buy)	The extent to which options appraisal is included in the commercial cycle and the extent of options that are explored.	2	<p>Comment(s): Currently undertaken for high profile/value projects.</p> <p>Action(s): Category Management to implement a make or buy decision policy ensuring that their involvement is sought from the offset of any project. Guidance to also be created to facilitate this.</p>	4	<p>Options appraisal and the creation of delivering services differently is a key factor in Medway's approach to procurement. Due to illustratable benefits of doing this previously, the ability to propose and discuss new solutions is more accepted than previously. Historically the way in which we procure has been confined to the 'tried and tested', but officers continue to seek more intuitive means of procuring which are continuously being looked at and considered.</p>
16	Market/Supplier research/analysis	The extent to which supplier and market research is used to determine procurement and commercial decision making.	2	<p>Comment(s): Undertaken when a new requirement is sought and/or where there have been problems on an earlier contract. Research sometimes includes looking for commercial opportunities or gaps in the market. It is not undertaken corporately nor documented.</p> <p>Action(s): Category Management to implement a market research/analysis policy to assist in this process. Clear guidance on any market prohibiting factors which may result in procurements being delayed i.e. seasonal demand resulting in worse outcomes than anticipated.</p>	3	<p>The bolstering of internal governance and influence of reporting has resulted in a richer display of market analysis and options appraisal. The policy varies for directorates due to needs, but the general understanding and approach taken is better known and utilised.</p>
18	Performance reporting	The extent to which performance reporting is utilised to maximise leverage and influence.	2	<p>Comment(s): Performance reporting is undertaken and includes commercial and social benefits achieved as well as savings but restricted to specific procurement exercises and some departments. Summary reports are produced by Procurement for service heads on an annual basis.</p> <p>Action(s): Category Management to make better use of and adopt the contract management module in the e-Procurement system for consistency effective performance reporting on all activities.</p>	3	<p>The Contract Management module with the Council's e-procurement system is better utilised and the means of annually reporting on contract performance has been standardised. Procurement related metrics are available upon request.</p>
Contract and relationship management						
#	Objective	Description	Initial Score	2020 Comments	2021 Score	2021 Comments/Progress
22	Supplier financial distress	The extent to which suppliers in financial distress are identified and managed.	2	<p>Comment(s): There is a structured approach to identifying financial stress in-so-far as contract management identifies.</p> <p>Action(s): Category Management to liaise with legal service to include a clause regarding ad hoc supplier financial distress.</p>	4	<p>Pre contract, financial checks are conducted and the contracts themselves include financial distress clauses. Through contract management, suppliers are often referred to and re-appraised to ensure on-going suitability.</p>
24	Recognition/cultural acceptance	The extent to which the value of contract and relationship management is recognised and embedded in the management culture.	2	<p>Comment(s): There are several job profiles within the organisation which are geared towards delivering this objective, however, across the authority the importance of contract management is not fully understood or harnessed.</p> <p>Action(s): This is a difficult object for Category Management to directly influence as to get to a mature level, job profiles and appraisals need to be inclusive of this. As the contract and relationship management isn't a centralised function, this would be the responsible of the relevant service areas to adopt.</p>	3	<p>Progress has been made. All contract managers are aware of the expectations upon them and present annual reports on performance. Covid has had a slight knock-on effect in regards to this deliverable but it still being maintained in the main. Category Management works closely with colleagues in commissioning regarding recruitment to ensure applicants are able to deliver in this important field.</p>
25	C&RM skills and knowledge	The extent to which officers are trained in contract and relationship management and encouraged to enhance their professional skills.	1	<p>Comment(s): Unfortunately staff have limited access to any contract and relationship management skills and knowledge programme.</p> <p>Action(s): To improve this area the Category Management team must raise the profile of C&RM to ensure it becomes a core competency of all services. This would include holding briefings and training sessions with periodic literature as refreshers and review meetings.</p>	2	<p>As contract management is decentralised, there is an expectation that contract relationship and management is a self-delivered piece of training. Due to limited interactions with the supplier base and the time this would take to standardise, a corporate external offering needs to be made for this.</p> <p>Action to go into year 2 and to explore external training provisions and seek funding approval.</p>
Managing strategic risk						
#	Objective	Description	Initial Score	2020 Comments	2021 Score	2021 Comments/Progress
27	Supply chain and contractor failure	The extent to which supply chain failure risks are identified and managed.	2	<p>Comment(s): Due to the array of services being delivered, some services are more susceptible to this risk and manage the whole supply chain, others just manage tier 1. The Category Management team is aware of the associated risks and attempt to foresee potentially fragile companies before issues occur.</p> <p>Action(s): A policy inclusive of a risk register, mitigation plans and recovery plans needs to be adopted for at least the high risk projects. The risk is highly dependant upon the service being delivered.</p>	3	<p>Only Tier 1 suppliers continue to be managed, but services are encouraged to record and update contract related risks within their own departments. A corporate risk register exists and strategic projects form part of that where applicable.</p>
30	External events (e.g. Brexit)	The extent to which contingency plans are put in place for high risk external events.	2	<p>Comment(s): At present we stay abreast with central government briefings and take appropriate action.</p> <p>Action(s): To develop this we need to specifically monitor high value/risk contracts to proactively understand and manage vulnerabilities.</p>	3	<p>There is generally a better understanding of what can go wrong and how to seek alternative provisions in the future due to recent events. However, what restricts this is a lack of flexibility within Public Procurement regulations. High value and risk contracts are proactively managed.</p>
Obtaining social value						
#	Objective	Description	Initial Score	2020 Comments	2021 Score	2021 Comments/Progress
32	Social value internal management	The extent to which social value awareness is embedded across all management levels.	2	<p>Comment(s): Medway Council does not have a senior officers with direct responsibility for reporting on social value.</p> <p>Action(s): Medway Council to elect a Councillor who is responsible for reporting on social value corporately. It is understood that an officer may be accountable for social value in particular areas but not corporately which is where the gap resides.</p>	2	<p>Social Value is a broad area and one that encapsulates climate change. Whilst specific elements of social value have been progressed, as an overall topic, it lacks traction. Objective #40 will seek to address this as the policy will encourage change and the appointment of a relevant Councillor.</p>
33	Social value TOMs (themes, outcomes and	The extent to which social value TOMs are reported and used.	2	<p>Comment(s): A legacy objective of the procurement strategy has been implementing the Social TOMs across Medway projects. Whilst some information has been successfully recorded and measured it must broaden to become more meaningful.</p> <p>Action(s): Non-financial TOMs to be measured and reported. Category Management to illustrate the golden thread and corporate benefit of the successful delivery of Social Value through procurements.</p>	3	<p>All tenders now include a mandatory social value question which asks services to select the most appropriate social value deliverables and in turn asks bidders to provide offerings against them. This forms both quantitative offerings and qualitative which are respectively scored and form contractual KPIs once awarded.</p>
39	Reporting social value	The extent to which progress in obtaining social value is communicated and reported.	2	<p>Comment(s): Limited or informal social value reporting and feedback provided.</p> <p>Action(s): To strengthen our position, the elected member must annually feedback to cabinet/scrutiny board the organisation's continued development in this area.</p>	2	<p>Whilst primitive, a method of collecting and reporting the information is available. As with objective #32, this will be addressed in the social value policy.</p>
40	Social value governance	The extent to which social value is embedded and managed in the commissioning and procurement process.	2	<p>Comment(s): Category Management acknowledges and considers social value on all projects but does not have a dedicated policy to reviewing its deliverables and strategy.</p> <p>Action(s): Category Management to help create a social value policy and implementation strategy with a nominated officer in delivery.</p>	2	<p>A draft policy has been proposed the diverse nature of all the Council's services make a definitive proposal difficult to embed. As such, the proposal from the policy is being trialled to ascertain effectiveness and it's impact on delivering value for money. All services to date have engaged well and thoroughly considered delivering social within their contracts.</p>

Local SME and micro-business engagement						
#	Objective	Description	Initial Score	2020 Comments	2021 Score	2021 Comments/Progress
46	Contract management with SMEs	The extent to which the requirements of small businesses are reflected in ongoing contract management.	2	<p>Comment(s): Within contracts sub-contracting is permitted but that relationship sits wholly between the prime contractor without LA involvement.</p> <p>Action(s): More consistent contract management processes are required. Category Management will therefore create a policy to facilitate this. It will also ensure fair payment terms to tiered suppliers.</p>	3	<p>A contract management policy is available and is distributed at point of tender, or retrospectively for longer termed contracts. Contract management is approach more consistently than in previous years and the information gathered is helping to inform future decisions.</p> <p>Clauses regarding fair payment to tiered suppliers are standard in all new contracts.</p>
Engaging VCSEs (voluntary, community and social enterprises)						
#	Objective	Description	Initial Score	2020 Comments	2021 Score	2021 Comments/Progress
54	Contract management with VCSEs	The extent to which the requirements of VCSEs are reflected in ongoing contract management	2	<p>Comment(s): Contract management is an area of development. some areas undertake this very well and others not so much</p> <p>Action(s): Category Management therefore needs to adopt an overarching contract management policy detailing the subdivision of working with VCSEs</p>	3	As with objective #46, the contract management policy is standard for all suppliers regardless of their composition. As such, the action has been slightly revised for corporate consistency and, to date, meets the needs of services to effectively manage their supply chains.
Enablers						
#	Objective	Description	Initial Score	2020 Comments	2021 Score	2021 Comments/Progress
56	Developing talent	The extent to which staff are recruited and developed in relation to procurement and contract management.	2	<p>Comment(s): Staff are recruited with appropriate experience and ad hoc requests to training etc. are approved.</p> <p>Action(s): Service plans are to include support for staff to obtain professional qualifications and for apprenticeships.</p>	3	<p>Corporate awareness and buy-in to procurement has increased in recent years, this has directly led into a corporate training offering being provided by the Category Management team that is even mandated for officers prior to procuring.</p> <p>In-so-far as procurement is concerned, this is as far as service plans or development can be affected and as such is deemed completed to a satisfactory degree.</p>
57	Exploring digital technology	The extent to which digital technology is used to underpin the procurement cycle.	2	<p>Comment(s): The majority of processes are electronically available but the way in which they are adopted varies. The contract management information needs to be more widely adopted.</p> <p>Action(s): Full integration between the finance and procurement systems would facilitate this objective. Note that the finance and procurement systems both have circa 2 years left on their contract so will not prove value for money implementing changes at present. Instead, future provisions should be scoped out.</p>	2	To fully address this point, both systems need to be renewed but are currently in term. Conversations are on-going but it cannot nor will be addressed imminently.
59	Embedding change	The extent to which change management in procurement and contract management is used to drive wider organisational change.	2	<p>Comment(s): This is heavily dependent upon the project and the buy-in from various stakeholders. Currently applied in isolated instances.</p> <p>Action(s): Category Management to implement policy outlining procurement changes which are comprehensively applied across multiple projects and departments.</p>	3	As procurement is a centralised function at Medway, all procurement related change is managed consistently and efficiently. The policy is inwards facing and allows a single cohort of individuals to provide advice where applicable. The contract management policy is available from the Intranet and is periodically updated to reflect best practice.