

**General Introduction**

There are a number of initiatives currently underway which cut across two or more of the following recommendations. Where this occurs, the update text cross references to the appropriate recommendation(s).

	<b>Recommendation</b>	<b>Where we are up to</b>	<b>Stage</b>	<b>Cont'</b>
1	<p><b>That departments, Education Leeds and ALMOs with the Chief Procurement Officer continue to develop a corporate approach in order to ensure clarity and understanding of roles and responsibilities and consistency in approaches to project and risk management.</b></p>	<p><u>Corporate Approach Across LCC/ALMOs/Education Leeds</u></p> <p>Procurement Unit have introduced two corporate electronic procurement systems over the last 12 months. The Contract Information System (CIS) and the Supplier and Contract Management System (SCMS)</p> <p>The CIS is aimed primarily at non-procurement staff, and holds information on all the Council's corporate contracts and how they should be used. The purpose of this system is to ensure that all officers know what Contracts the council has in place, and also how to those contracts. This reduces off contract spend which in turn contributes to efficiency savings. The system includes feedback and performance monitoring features so that Officers can comment on their experiences of using a contract arrangement or on a particular supplier's performance [Links to Recommendation 2]. This information contributes to improved contract management.</p> <p>The SCMS is a procurement management system and is therefore aimed a procurement officers. The system is used to manage the procurement process for all Council contracts over £100k. Direct access to the system is currently being rolled out to Directorates. The system incorporates 'workflow' which introduces consistency in the way procurement projects are managed. The system has standard templates, milestones, timetables and checklists which can be adapted and improved in response to lessons learned on earlier projects. The SCMS also has supplier performance and contract management modules</p>		

		<p>Procurement Unit has recently revised the Council's Contract Procedure Rules (CPRs) in consultation with Directorates. These rules, which were also adopted by the ALMOs, have also recently been adopted by Education Leeds. Having consistent procurement rules across the Council, the ALMO's and Education Leeds helps when working on joint projects, developing training and implementing new systems and procedures.</p> <p>The Council's current 3 Year Corporate Procurement Strategy 2005-08 ends next year. Development of the next 3 year Corporate Procurement Strategy is underway and will pick up the issues highlighted in this, and all the other recommendations.</p> <p><u>Clarity and Understanding of Roles and Responsibilities</u></p> <p>Having shared rules and shared procurement systems as detailed above, contributes to better understanding around roles and responsibilities of the parties involved in the procurement process.</p> <p>The recent changes to Council Directorates brought about by the Council's change programme has presented an opportunity to review the way we work together across teams and Directorates.</p> <p>There are a number of examples of specific areas of improvement between Procurement Unit and other areas of the Council. Including:</p> <ul style="list-style-type: none"><li>- Service Level Agreements and service improvement action plans agreed with Education Leeds.</li><li>- Regular meetings with Education Leeds Service Advice Team</li><li>- Working with the Commission team in Children and Adult Services to identify and agree roles and responsibilities.</li></ul>		
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		<p><u>Consistency in Approach to Project and Risk Management</u></p> <p>This element of this recommendation is addressed through the Council's 'Delivering Successful Change' project management methodology. Project and risk management are the main features of that methodology.</p>		
2	<p><b>That the Chief Procurement Officer develops a corporate communication strategy to ensure that greater emphasis is placed on obtaining the views of end users, including Ward Members, when services are being designed and specified in service specifications.</b></p>	<p>The electronic procurement systems outlined above, have the facility to record user feedback.</p> <p>The refresh of the Council's Corporate Procurement Strategy will provide the vehicle to deliver this recommendation. The Strategy will include the requirement for Directorates to involve end users and ward members to a greater extent when designing and specifying services. This strategy requirement will be backed up with training and guidance on how this can be achieved. The strategy will be published Spring 2008.</p> <p>The recent revisions to the Councils Contracts Procedure Rules and Code of Practice state that consideration should be given to including service users on the tender evaluation team where possible.</p>		
3	<p><b>That the Chief Procurement Officer works closely with the team responsible for developing the 'Delivering Successful Change' initiative to ensure that the use of procurement 'Gateway Reviews' is included in the final proposal, as recommended by the IDeA and the Office of Government Commerce and the Council's Risk Management Framework.</b></p>	<p>Both Procurement Unit and the Public Private Partnerships Unit use the 'Gateway Review' methodology mandated by the Office of Government Commerce and recommended by IDeA.</p> <p>Procurement Unit has been briefed on the Delivering Successful Change methodology and the Gateway Review process has been incorporated.</p>		
4	<p><b>That the Chief Procurement Officer analyse the outcomes of the initial contracts using the new approach to</b></p>	<p>It is still relatively early days in terms of the 'Delivering Successful Change' project methodology, with the formal training for officers planned for Autumn 2007. However, a number of projects are currently</p>		

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	<p><b>“Delivering Successful Change” and report the results to a future meeting of this Scrutiny Board.</b></p>	<p>being managed using the project methodology principles.</p> <p>It is proposed that this recommendation be implemented next year when the project methodology is established and the contracts currently being procured using the methodology are awarded and operational.</p>		
<p>5</p>	<p><b>That the Chief Procurement Officer submit a half yearly report to the appropriate Scrutiny Board on the Council’s corporate performance indicators for contracts and procurement.</b></p>	<p>Procurement Unit currently have three performance indicators linked to the Council's Corporate Plan. Progress against the three indicators has been reported periodically to Legal and Democratic Services Departmental Management Team.</p> <p>The first indicator was to achieve all the milestones set out in the Government's National Procurement Strategy for Local Government by their due dates. This has been achieved.</p> <p>The second two indicators relate to measuring the level of spend through collaborative arrangements, and measuring the level of spend through 'approved' arrangements. Both of these indicators presented problems in establishing the baseline levels upon which realistic and accurate targets could be set. Work in relation to these two indicators has therefore concentrated on amending information systems so that the level of spend in each are can be measured. The recently implemented electronic procurement system referred to above, together with developments to the Council's finance system mean that we should be able to identify baseline figures for these indicators by Spring 2008.</p> <p>There are currently no mandatory indicators for procurement. However, the Council has recently agreed to subscribe to a CIPFA Benchmarking Exercise to look at a set of indicators developed by the UK's Public Sector Audit Agencies. These indicators set out to measure the value for money performance of finance, HR, ICT, estates management and procurement. Procurement Unit, together with Resources are reviewing the indicator sets.</p>		

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6	<p><b>That the Chief Procurement Officer ensures that the initiatives being undertaken in “Delivering Successful Change” incorporate safeguards to manage potential conflict with contractors at an early stage.</b></p>	<p>The Delivering Successful Change methodology includes mechanisms to identify and manage potential conflict arising during the project, for example - highlight reports, issue logs, risk logs, etc.</p> <p>For conflict arising during a contract, the Council's standard contractual terms and conditions include an 'Alternative Dispute Resolution' clause which requires the parties to seek mediation and similar forms of dispute resolution without recourse to the Courts.</p> <p>Procurement Unit is preparing guidance and training on contract management issues which will include advice on managing contractual relationships and negotiation. The Unit recently ran a Master class for Council Officers on Dispute Mediation.</p>		
7	<p><b>That the Chief Procurement Officer submits a report on training packages which have been put in place for staff with procurement responsibilities to ensure effective participation in “Delivering Successful Change”.</b></p>	<p>Procurement Unit has appointed a dedicated Procurement Training and Development officer, resulting in a number of training initiatives being introduced. These should improve the general procurement skills of staff across the council who are involved in procurement activities.</p> <p>In addition, the Unit provides training to Directorates, Education Leeds and the ALMOs on all aspects of the procurement process - including: Contracts Procedure Rules, EU Procurement Directives, TUPE protocol, Supplier and Contract Management System, etc. [Links to Recommendation 1]</p> <p>All appropriate staff within the Procurement Unit have attended a briefing session on the use of the DSC methodology and will attend the formal training when it is introduced in the Autumn of 2007. Other staff across the authority who have procurement responsibilities will be encouraged to attend these training sessions.</p> <p>Procurement Unit has worked with the Delivering Successful Change team to ensure the guidance notes on Delivering Successful Change include references to the role of procurement .</p>		

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		General procurement training programmes that have been or are being introduced that impact on other issues raised in these recommendations include - general procurement skills, tender evaluation, specification writing, contract management skills, members briefing on procurement, etc		
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