
Procurement Arrangements

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Session Outline

- Background of Procurement at TMBC
- Shared Service with STAR
- STAR Procurement

Procurement at TMBC

Key stats

- Spend over £500m per annum on service delivery
- £300m spent with third party suppliers
- 4,000 suppliers on our creditors system
- 100,000 + transactions per annum

Procurement before September 2018

- There was insufficient strategic overview of spend.
- The contracts register was incomplete, therefore significant savings opportunities have been missed.
- There was limited social value and local market spend;
- There was little early market engagement and supplier support.
- Non-experts were leading often complex procurements, resulting in risks and poor use of resources.
- Spending was being incurred without procurement.

Pre 2018 continued

- The routes to market chosen may not have been giving the best options to the Council.
- A number of expired contracts existed.
- Collaboration opportunities were not being maximised.
- There was a fire fighting approach that is not strategic or proactive.
- Poor/weak contract management.
- Risk of non-compliance with our own Corporate Procurement Rules (CPRs) as well as serious risk of breach of Public Contract Regulations 2015

Shared Service with STAR Procurement

- October 2017 – review of procurement commissioned.
- January 2018 – review reported to AD Finance, major investment required.
- June 2018 – options paper and business case developed.
- July 2018 – Executive Cabinet agreed to enter into shared service with STAR procurement.
- September 2018 – Shared Service entered into with STAR procurement.

Business Case for Shared Service

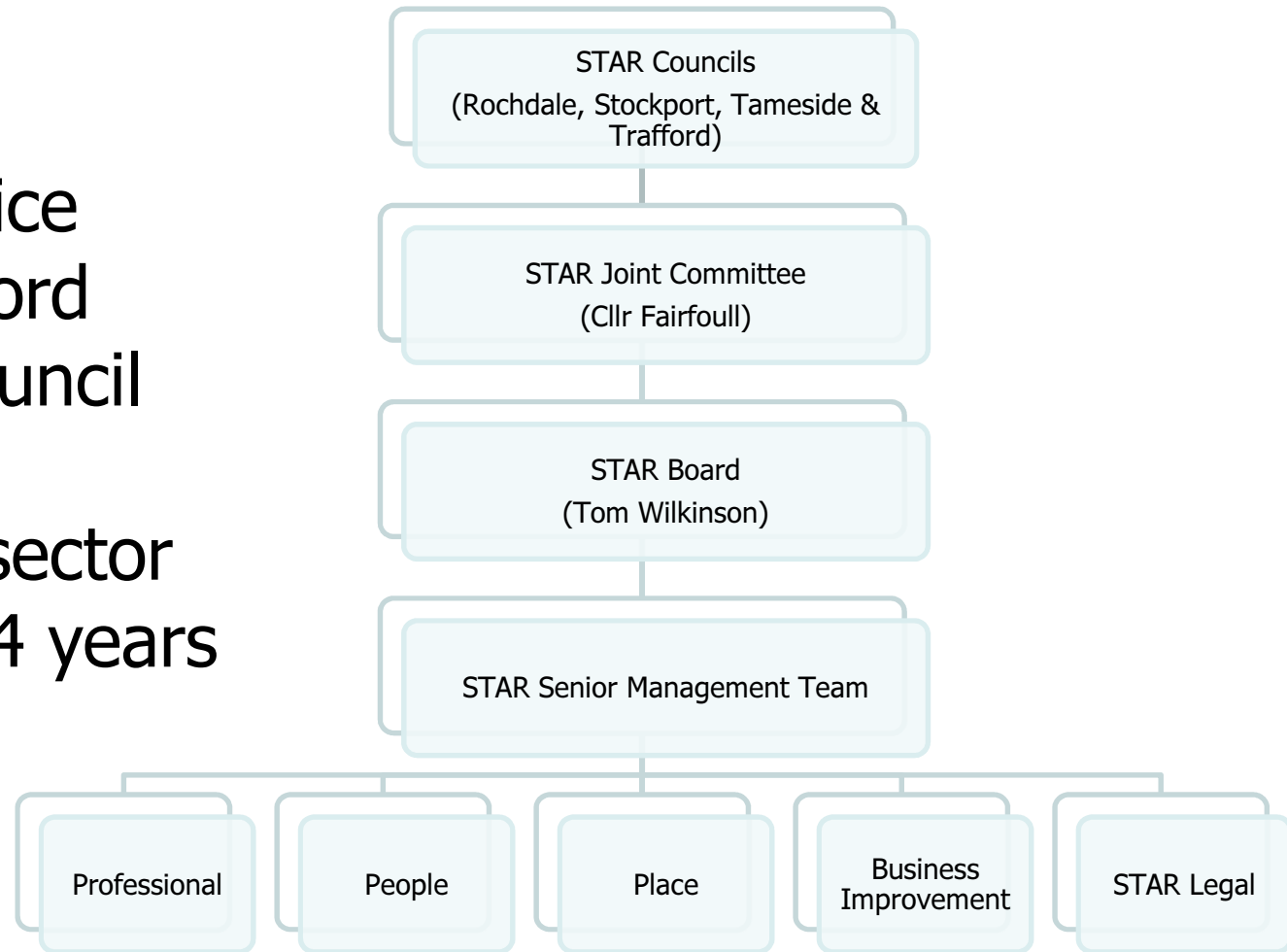
- HM Treasury 5 case model
- 5 options considered
 - a) Do nothing
 - b) Resource our own Procurement Team
 - c) Centralise the Procurement function and resource
 - d) Outsource to the Private Sector
 - e) Find a Public Sector Partner

STAR Procurement

- Shared Procurement Service between Rochdale, Stockport, Tameside and Trafford Councils.
- Hosted by Trafford.
- Made significant savings for original partner members of over £20m since 2015/16, or >£1m per Council per year.
- Significant contribution to savings targets.
- Significant improvement in compliance.

Who are STAR Procurement?

- Shared Service
- Host is Trafford
- We are a Council department
- Not private sector
- Established 4 years



Our Business Plan



What have we achieved to date?

Over £20m savings

Detailed spend analysis

15% SV weighting

LOCAL INVESTMENT

Increasing local spend

National Award Winning

Quality Management System

Recruited & retained professional team

+60%
AGMA Activity

Over 900 Twitter followers

Training Plan - 8 studying CIPS

New partners in new sectors

Project Simplify

Our website

'Grow Your Own' Policy

96% positive feedback from stakeholders

Tameside
Metropolitan Borough

NHS
Tameside and Glossop
Clinical Commissioning Group

Work Done to for Tameside to Date

What have we done so far for Tameside...

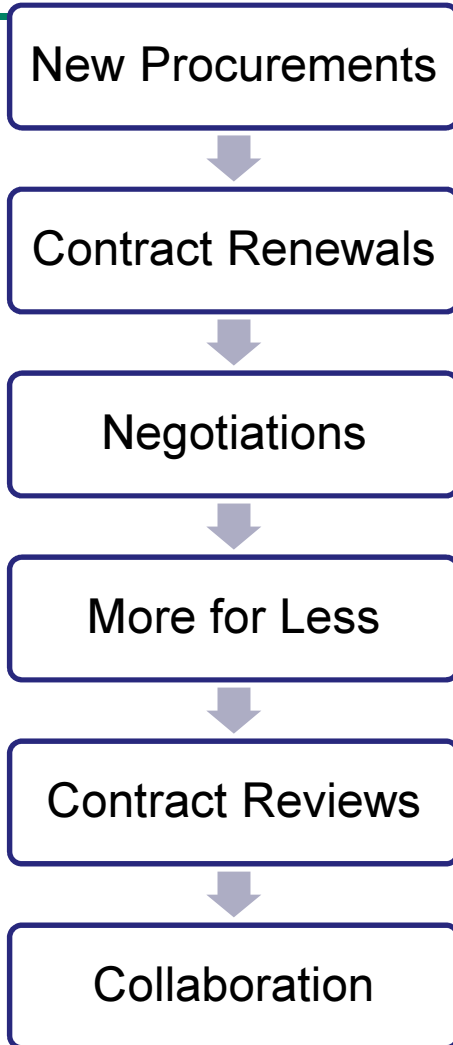
- Deep Dives for ICT, Enforcement and Children's
- Planning for on-boarding and launch
- Launch
- Provided procurement advice and support
- Contract amnesty
- Leading initial procurements
- Key officer engagement
- Spend analysis
- Developed a new staffing structure

What next for Tameside?

What are the next immediate priorities...

- Contracts Register
- Workplan and Prioritisation
- Spend Analysis finalisation
- Social Value
- Local Business Engagement
- Recruitment
- Stakeholder mapping and engagement plan
- Sort out the practicalities
- **SAVINGS!**

Savings will be key priority



Need to understand what contracts you have

Workplan and prioritise

We are here to help identify procurement savings opportunities and then support the services to deliver savings these

Contacting Us

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All our contact numbers and details can be found on the STAR website...

<https://www.star-procurement.gov.uk/About-us/Docs/Team-Structure.pdf>