

Programme Delivery Plan Summary



Programme Name Collaborative Procurement and Commissioning Programme

PROGRAMME BUDGET ALLOCATION: £2,000,000

Workstream: Project Title	Priority (H/M/L)	Stage of development	Efficiency savings £	Outputs	Intended Outcomes	Year 1 £	Year 2 £	Year 3 £	Total £
Programme Strand: Policy and Practice Harmonisation – National Indicators: 007, 171, 172, 179, 185, 186, 194									
Policy and Practice Harmonisation	H	2	Time and money savings for both local authorities and suppliers.	<ul style="list-style-type: none"> Contract Standing Orders containing harmonised financial thresholds for quotations and tenders. Regional Sustainability Policy. Regional Equalities and Diversity Policy Context Regional Health and Safety Policy Context Regional Procurement Policy Context and Code of Practice Regional Workforce Employment Policy Context Multi Sector Procurement Agreement 	<ul style="list-style-type: none"> Harmonised policy frameworks which simplify the tender process, reducing inconsistencies and duplication to deliver time and money savings for local authorities (either directly or indirectly). Improved tender submissions which better match Local Authority requirements. Policy frameworks which enhance and improve collaborative procurement across the region. Greater consideration and embedding of Social, Economic and Environmental Considerations. Increase opportunities for collaborative multi-sector working to harness procurement spend to realise cashable savings. 	14,000	21,000	14,000	50,000
PROGRAMME STRAND SPEND						14,000	21,000	14,000	£50,000
Programme Strand: Category Spend Planning – National Indicators: 007, 171, 172, 179, 185, 186, 194									
Proof of Concept Categories	H	2		• Priority proof of concept	• An agreed way forward to	20,000	0	0	20,000

				categories developed and implemented • Category management methodology developed	develop the Category Forward Plan				
Collaborative Category Forward Plan	H	2	Efficiency savings identified for all categories of spend, based upon £1.5bn 3 rd party spend. Target categories identified for Category options appraisals.	• Collaborative Category Forward Plan developed.	• Selection of prioritised category options for appraisal and process model for long term development of Collaborative Category Forward Planning. • Better informed regional procurement strategy and SME forward planning through provision of region wide strategic approach.	0	5,000	0	5,000
Category Options Appraisals	H	2	Annualised potential savings within the region of £70-£110 million.	• Selection of up to 10 categories for the Category Planning Pilot Programme, covering a range of strategic, routine and leverage. • Templates for Category Plan developments. • Detailed plans for the delivery of Category plans by Category Teams developed.	• The implementation of a strategic category analysis approach to allow the region to optimise performance in: • Forward planning of sourcing activity • Maximisation of leverage opportunities. • Effective delivery of sourcing activity and savings optimisation • Risk management • Timely implementation • Opportunity to assess the market and prepare the local supply base for upcoming requirements increasing their chance of competing effectively for contracts.	0	65,000	80,000	145,000
PROGRAMME STRAND SPEND						20,000	70,000	80,000	£170,000
Programme Strand: Capacity Management and Mobilisation – National Indicators: 179									
Political & Operational Governance Framework Review	H	2	Ensures Governance structure	• Report making recommendations on the Governance Model to support	• Alignment of Political and Operational Leadership into effective regional leadership.	80,000	0		80,000

			is appropriate to ensure delivery of categorised programme.	Future Delivery aligned with Corporate and Community Objectives.					
Capability Reviews	H	2	Increased productivity, manage demand within existing capacity	<ul style="list-style-type: none"> Report making recommendations to improve procurement performance to achieve "best in class" standards necessary to support delivery of corporate and community strategies and objectives. 	<ul style="list-style-type: none"> Identification of training and professional development which will inform the Capability and Development Programme. 	0	150,000	150,000	300,000
Capability Development Programme	H	2	Increased productivity and reduced risks to deliver efficiency and cashable savings	<ul style="list-style-type: none"> Appropriate training and development model to ensure the region has the appropriate skills, capacity and systems to maximise the opportunity to deliver collaborative savings and efficiencies. 	<ul style="list-style-type: none"> Capability in place to deliver the savings and benefits of regional collaboration using a category based planning approach. 	0	100,00	200,000	300,000
Systems	H	1	Increased productivity and will drive strategic and operational efficiency.	<p>Performance Systems for:</p> <ul style="list-style-type: none"> Benchmarking Performance Indicators Supplier Evaluation <p>Collaborative Tools for:</p> <ul style="list-style-type: none"> Document Management Project Management <p>Standard Processes for:</p> <ul style="list-style-type: none"> E-Tender Roll Out Tender Evaluation Contract Management Roll Out 	<ul style="list-style-type: none"> Provide visibility of relevant data to measure effectively performance of both the procurement function and suppliers. Utilisation of collaborative tools and processes to promote communication together with the sharing of knowledge and providing visibility of data across the region. 	9,000	100,000 (Licences)		109,000
PROGRAMME STRAND SPEND						89,000	350,000	350,000	789,000
Programme Strand: Commerce Interface – National Indicators: 007, 171, 172, 179									
Harmonisation of Documents	H	2	Increased productivity, reduced risks to collaboration increasing	<p>Adoption:</p> <ul style="list-style-type: none"> Adoption of harmonised documents produced by all north east local authorities. <p>Review:</p> <ul style="list-style-type: none"> Regular reviews of harmonised documents to 	<p>Adoption</p> <ul style="list-style-type: none"> Making it easier for local authorities to collaborate Improved tender submissions that better match local authority requirements. <p>Review and Governance of</p>	0	40,000	30,000	70,000
							Infrastructure License +	Infrastructure License +	

			<p>efficiency opportunities</p> <p>Time and money savings for suppliers realised when tendering with local authorities.</p>	<p>ensure documents contained within the suite of documents are kept up to date with changes in legislation, policy and practice.</p> <ul style="list-style-type: none"> Develop the documents further in accordance with developing policy, practice and experience. <p>Governance of Review:</p> <ul style="list-style-type: none"> Appropriate Governance and Change Control arrangements established with clear roles and responsibilities identified. <p>Provision of an ICT Infrastructure:</p> <ul style="list-style-type: none"> Online collaborative ICT solution which provides provision for publishing of the documents and allowing engagement and consultation with a wide range of stakeholders. 	<p>review:</p> <ul style="list-style-type: none"> Future proofing of the documents contained within the suite of documents. <p>Provision of an ICT Infrastructure:</p> <ul style="list-style-type: none"> Active collaboration / involvement and continued buy-in to the development of the suite of harmonised documents. 		Review costs	Review costs	
Supplier Registration & Accreditation	H	1	Increased productivity through reduction in PQQ effort for both local authorities and suppliers.	<ul style="list-style-type: none"> Accredited suppliers. 	<ul style="list-style-type: none"> Improved engagement with the supplier community. Improved supplier competencies Reduction of risks to local authorities. Reduction in processing effort for PQQ's. Greater diversity and competition. 	0 zero cost to LA's. Suppliers fund by Subscription 50-200 per annum.	0	0	0
Portal Roll Out	H	1	Increased productivity	<ul style="list-style-type: none"> Practice and systems (tendering, contract management, request for quotes) standardised across local authorities 	<ul style="list-style-type: none"> Streamlined efficient standard processes. Compliance to procurement regulations, policy and practice. 	0 Roll Out funded by NEPO, Board will provide Leadership and performance monitoring only	0	0	0
Supply Sector Coordination and Development	H	1		<ul style="list-style-type: none"> Supply chain development toolkit. 	<ul style="list-style-type: none"> Improved competencies and practices. 	25,000	50,000	50,000	75,000

					• Supply chain development.				
					PROGRAMME STRAND SPEND	25,000	90,000	80,000	195,000

Programme Strand: Demand and Supply Side Intelligence – National Indicators: 007, 171, 172, 179									
Procurement Intelligence Platform	H	2	Provides improved visibility to identify collaborative opportunities	<ul style="list-style-type: none"> 12 months interim external spend analysis support. Enterprise platform offering spend analysis and market information. 	<ul style="list-style-type: none"> Governance structure describing accountability and responsibility for the service current and future. Ensuring the integrity and development of the service. Managed web based enterprise platform containing comprehensive regional procurement demand and supply side intelligence to support collaboration using a category based planning approach. Quarterly data upload feeds. 	54,000	320,000	0	374,000
					PROGRAMME STRAND SPEND	54,000	320,000	0	374,000

Other Delivery Costs:									
Events, Venues, Procurement etc					30,000	60,000	60,000	150,000	
Project Manager					79,000	79,000	79,000	237,000	
Contingency Fund							100,000	100,000	
					OTHER DELIVERY COSTS	109,000	139,000	239,000	487,000

					TOTAL RIEP SPEND	311,000	990,000	763,000	2,064,000
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Reserve Project									
Programme Strand: Commerce Interface – National Indicators: 007, 171, 172, 179									
e-Commerce Hub		R	Offset Supplier e-procurement adoption costs projected in excess of £3.6 m officer time. Accelerate	<p>e-Commerce Hub</p> <ul style="list-style-type: none"> An independent eCommerce Hub that enables buyers and suppliers to transmit documents (orders/invoices) and share catalogue data through a single connection point that integrates seamlessly with existing ERP and e-marketplaces. <p>Buyer Mobilisation:</p> <ul style="list-style-type: none"> Integration of Buy Side 	<p>e-Commerce Hub:</p> <ul style="list-style-type: none"> The hub will increase process efficiency, ensure full usage of joint contracts, provide a single source for all north east local authority procurement data, and provide a world class ecommerce platform for the regional SME's and third sector to establish a trading community to encourage 	0	400,000	100,000	500,000
								note: year 2 + costs Annual Subscription fees (10-12k per LA) to be funded	

			realisation of transaction process efficiencies estimated £1m annually. Compliance to Contracts (reducing risks to cashable savings).	Systems Supplier Adoption Programme: <ul style="list-style-type: none"> Adoption of Suppliers to the hub. 	competition and a mixed economy within service delivery. Buyer Mobilisation: <ul style="list-style-type: none"> Single point of entry to supply market. Accelerate adoption of e-Procurement and benefits realisation. Supplier Adoption Programme: <ul style="list-style-type: none"> Consolidated adoption strategy leveraging supply side resource to accelerate delivery. 			by each LA.	
					RESERVE PROJECT SPEND	0	400,000	100,000	500,000

Notes

Stage of development: (1) Key Facts and strategic fit produced (2) PID produced (3) PID approved

Intended Outcomes: LAA / MAA / National Indicators - list the relevant indicator number.

(R) = reserve project