



cutting through complexity

Procurement Fitness Check for: Bridgend

Output from the on-line survey and face-to-face
meetings

January 2014



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Fitness Check – Procurement Maturity Assessment

Bridgend Executive Summary

Overall Maturity Rating

Developing towards Conforming

Organisational Context

- Bridgend have a central procurement team with 8 FTE and devolved procurement across the Directorates.
- The limited influence of the central team has been identified by the Authority and they have proactively sought to improve upon the current procurement activities across the organisation by engaging in a strategic review which commenced in the latter part of 2013.
- The strategic review of procurement, with a formalised project board and project team is underway. Senior management engagement and the procurement team are at the heart of the review process.
- The overall change programme is planned for 3 years, with immediate cashable savings targeted within the next 12 months and e-systems and full P2P embedding expected over the next 24-36 months.
- Reporting lines have recently been changed with procurement now reporting directly to the assistant chief executive, and with specific responsibility designated to a council member, this raises the overall profile of procurement across the authority.
- Training and communication has begun with regards to the changing role of procurement and is planned to continue during the strategic review.

Model Dimension

Recommended Actions

Procurement leadership & governance

- Continue with strategic review of procurement, developing key processes to ensure procurement sits at the heart of all spend activities and in time, takes a strategic, proactive role in future sourcing and commissioning activities.

Procurement strategy & objectives

- New strategy and objectives need to be clearly socialised throughout the authority to ensure understanding and buy-in, which will assist with implementation and embedding of change.

Defining the supply need

- Category management needs to be consistently labelled to allow effective spend analysis. Once defined, supplier spend and commodity management can also be reviewed to ensure strategic processes are developed and applied.

Commodity/project strategies and collaborative procurement

- Formalise risk assessment template and requirements and ensure it is reviewed periodically during the life of the contract.

Contract and supplier management

- Develop central contract register and establish process to formally capture supplier feedback to inform future practices and processes.

Key purchasing processes and systems

- Continue roll out of P2P and e-procurement systems to ensure all spend is compliant and visible.

People

- Ensure appropriate staff training is rolled out across Directorates, following the strategic review, including formal induction for new staff and annual compliance training for existing staff.

Performance management

- As results are achieved through the new strategic procurement approach, ensure they are publicised across the whole authority to quickly raise the profile and value of the central procurement function.

Fitness Check – Procurement Maturity Assessment

Bridgend Executive Summary

Model Dimension	Comparison	Welsh Gaps	UK Public Sector Gaps	Comments
Procurement leadership & governance		9	22	<ul style="list-style-type: none"> Current review and new reporting line should embed procurement strategically across authority
Procurement strategy & objectives		12	2	<ul style="list-style-type: none"> Strategy review must be completed to allow socialisation & targeted change over next year.
Defining the supply need		3	22	<ul style="list-style-type: none"> Current practice needs to be standardised to ensure a single, consistent approach.
Commodity/project strategies and collaborative procurement		5	11	<ul style="list-style-type: none"> While some processes need developing, there is also a need to socialise existing practice across authority.
Contract and supplier management		19	43	<ul style="list-style-type: none"> Limited visibility due to no central contracts register. Formal supplier feedback not in place.
Key purchasing processes and systems		2	38	<ul style="list-style-type: none"> Although improving, many processes are in place and effective but unknown across directorates.
People		2		<ul style="list-style-type: none"> Training is underway to ensure staff understand and buy-in to the changing role of procurement.
Performance management		27	42	<ul style="list-style-type: none"> KPIs need updating as waiting to integrate with those from the Welsh Government.

● **Bridgend Average Maturity Grade**
 ● **Average of Welsh Authorities**
 ● **UK Public Sector Benchmark**

Benefits of implementing recommendations

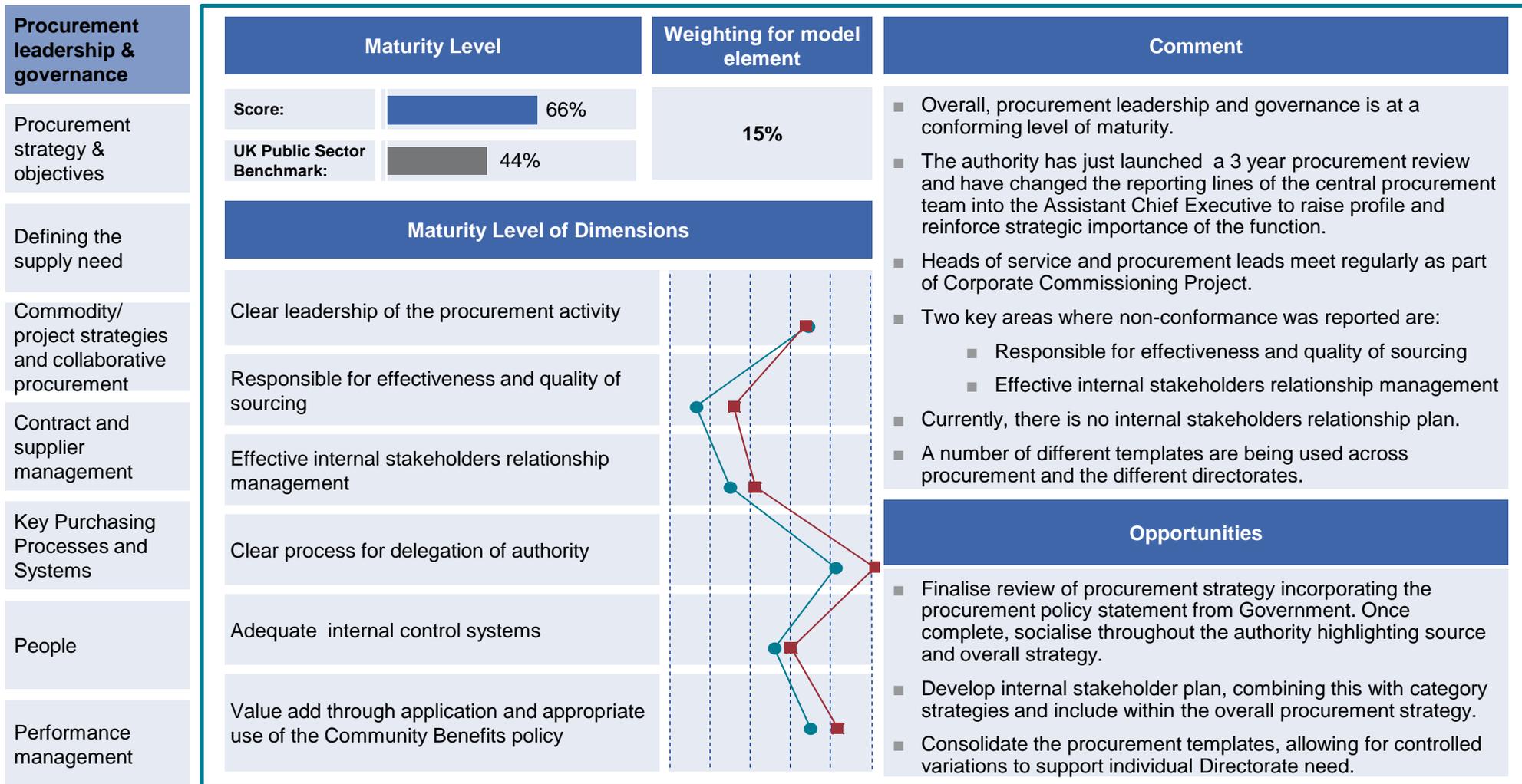
- The strategic review will allow the Authority to better understand current state and increase the influence of the central procurement team, allowing them to effectively manage and influence spend and category management/analytics..
- Finalising P2P role out will ensure consistency in approach and provide clear, real time visibility of all spend, better informing MI and performance management.

Overall Recommendations

- Continue with the programme of work that has already been developed ensuring that it includes the:
 - finalisation of the review of procurement strategy and socialisation of it across the authority to ensure understanding /buy in to the new direction;
 - continued role out of P2P and e-procurement systems to ensure compliance, visibility and central control of all spend;
 - standardisation of category management and commodity strategies to ensure targeted and consistent procurement activities.

Procurement leadership & governance

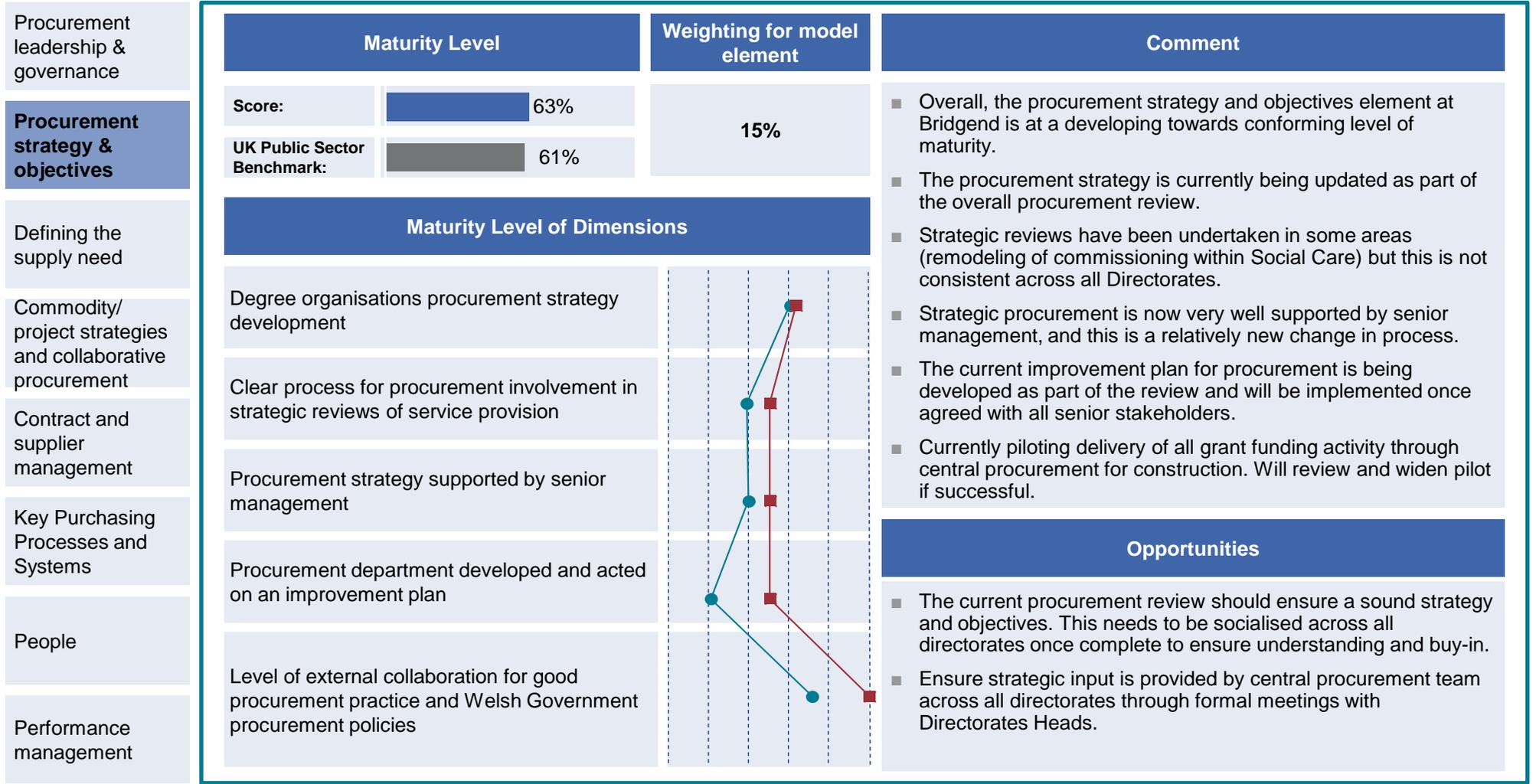
A detailed overview of the results per dimension KPMG found ...



■ Bridgend Average Maturity Grade ● Average of Welsh Authorities

Procurement strategy and objectives

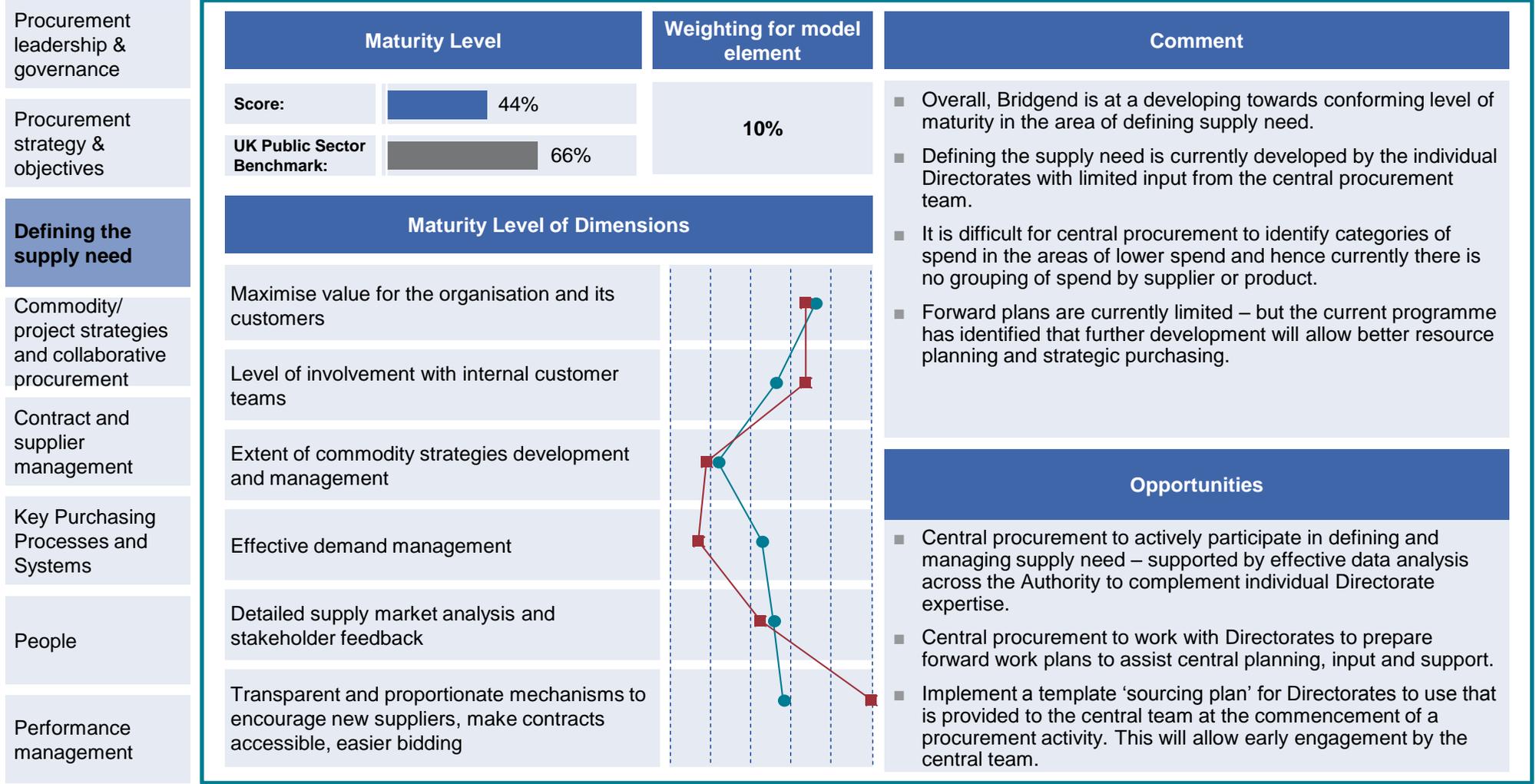
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■ Bridgend Average Maturity Grade ● Average of Welsh Authorities

Defining the supply need

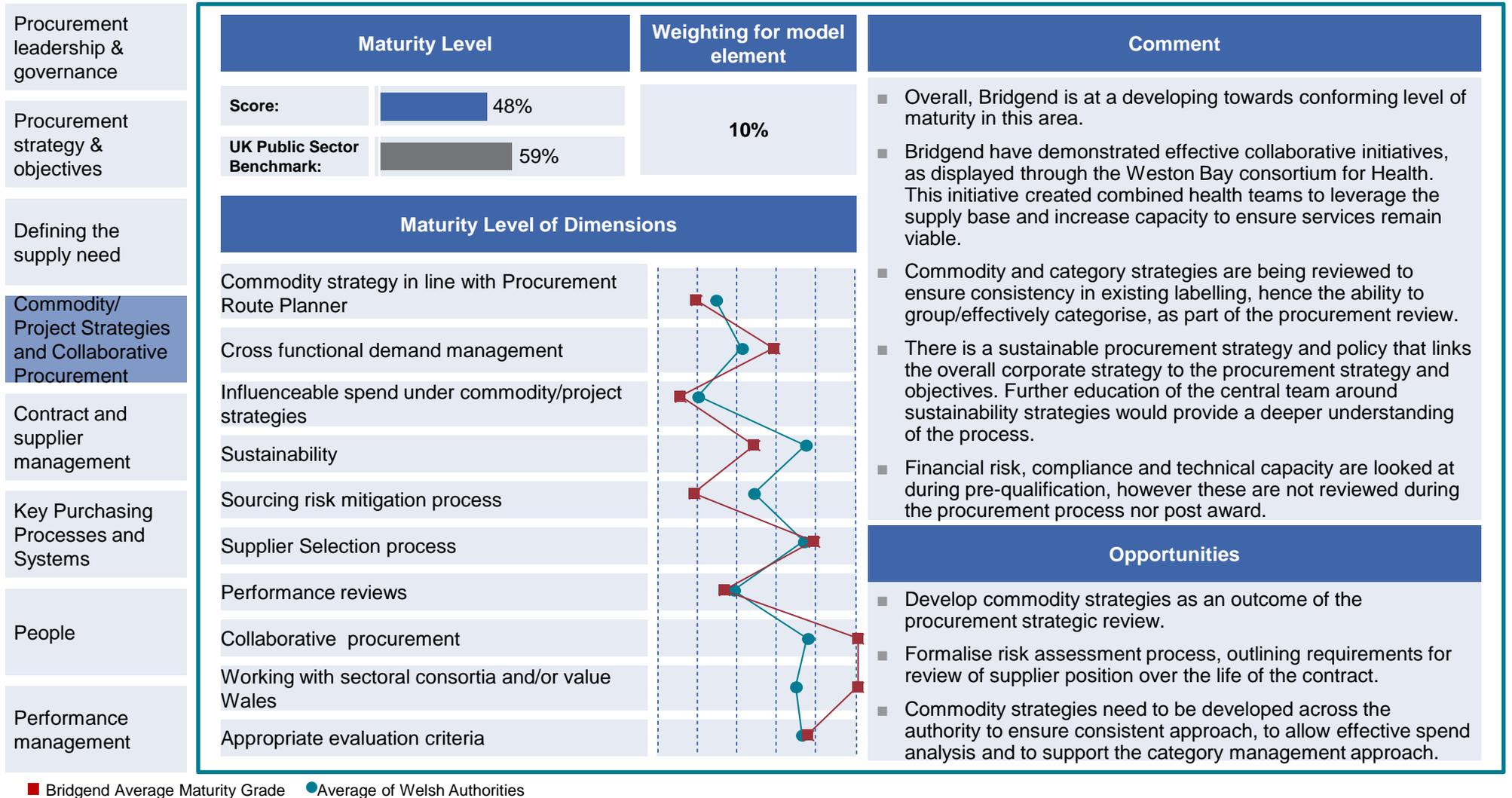
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■ Bridgend Average Maturity Grade ● Average of Welsh Authorities

Commodity/ project strategies and collaborative procurement

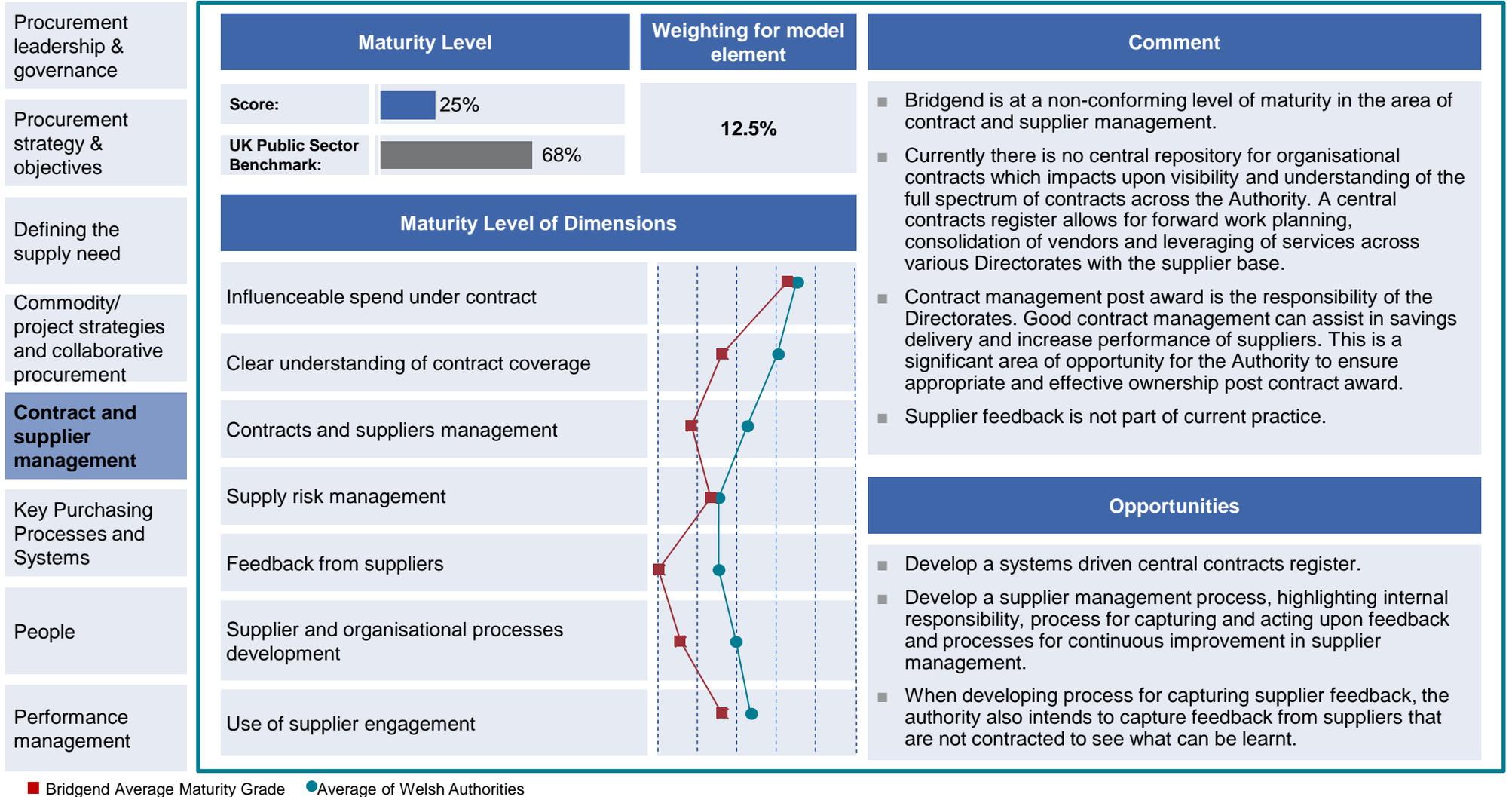
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Contract and supplier management

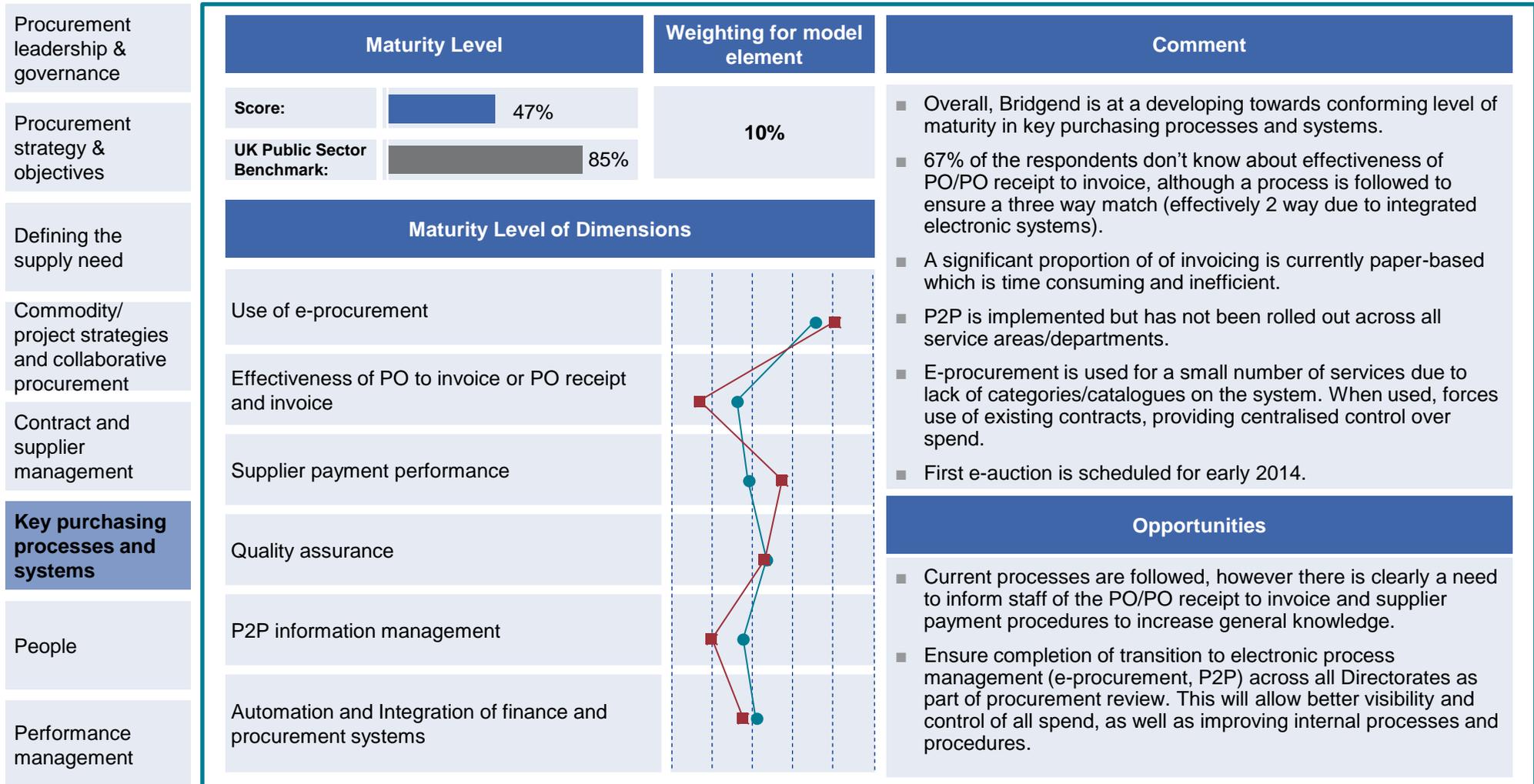
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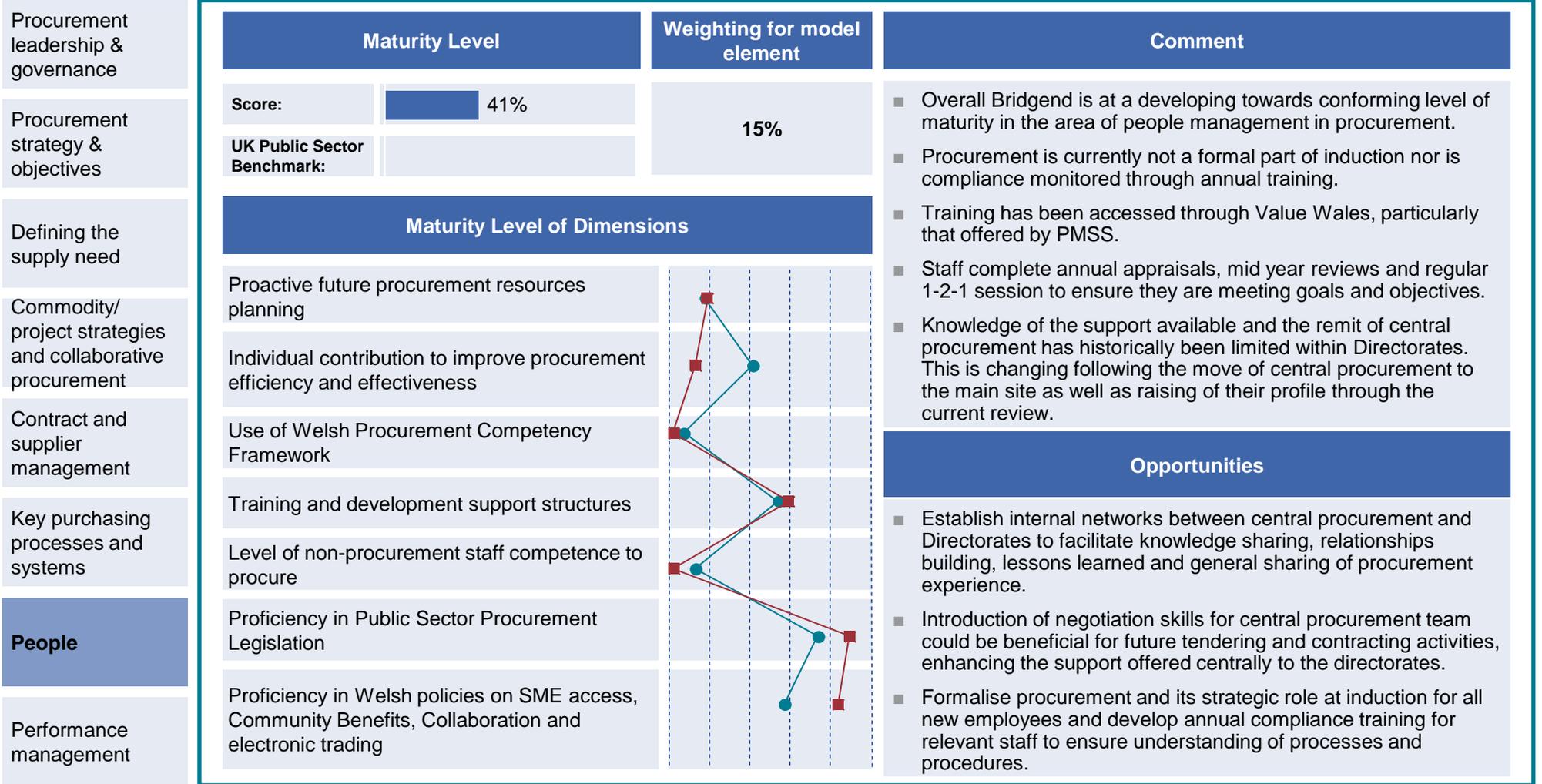
Key purchasing processes and systems

A detailed overview of the results per dimension KPMG found ...



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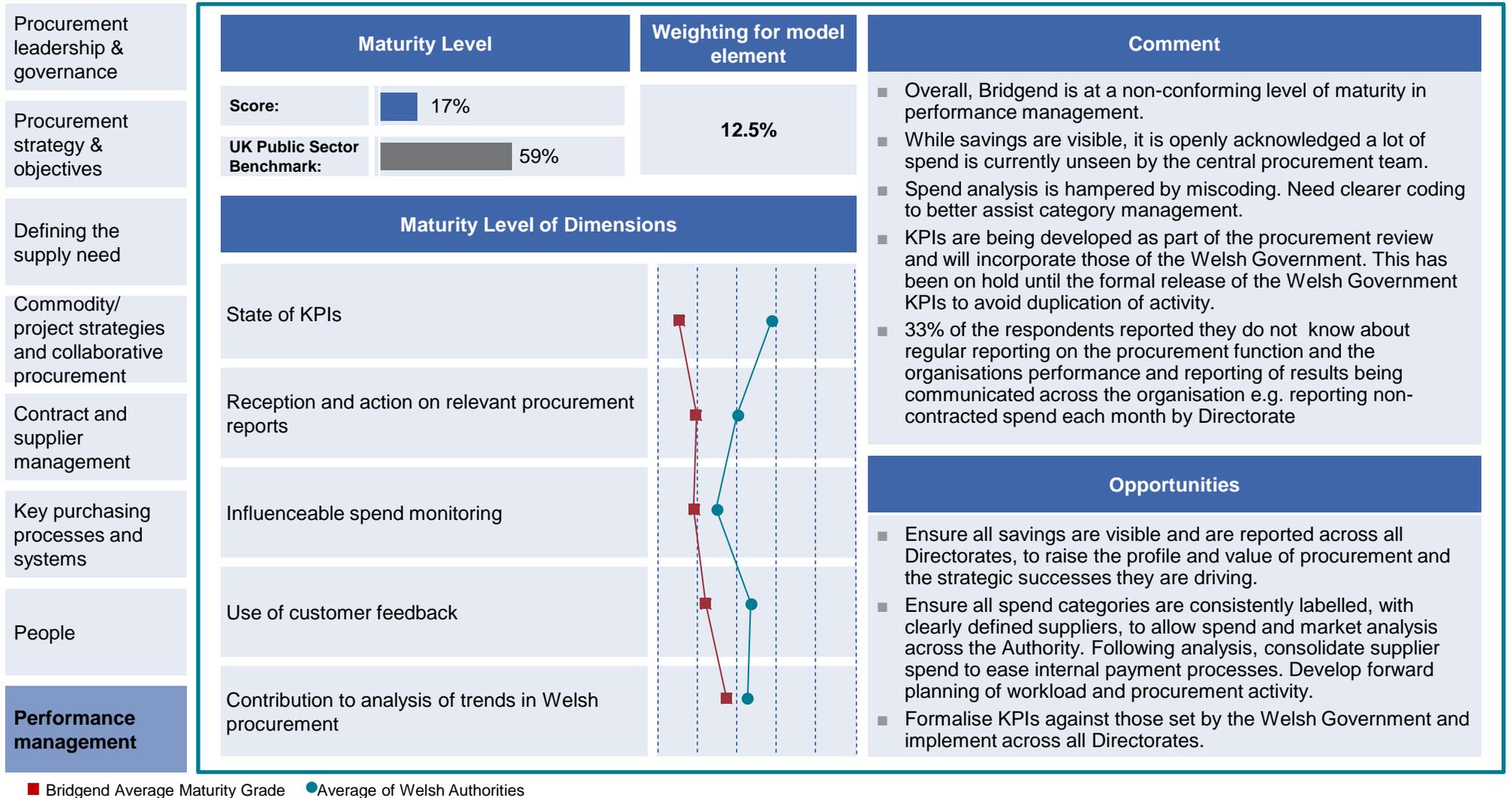
A detailed overview of the results per dimension KPMG found ...



■ Bridgend Average Maturity Grade ● Average of Welsh Authorities

Performance management

A detailed overview of the results per dimension KPMG found ...



■ Bridgend Average Maturity Grade ● Average of Welsh Authorities

Fitness Check – Procurement Maturity Assessment

Profile of respondents

Years Experience	Number of respondents
1-10	1
11-20	1
21-30	0
More than 30	1
Total	3

Qualification	Number of respondents
Degree (or equivalent)	67%
Masters	0%
MBA	0%
CIPS	0%
MCIPS	100%
Other	0%
Total	3

Contract Value responsibility	Number of respondents
Between £0 -£500K	0
Between £500K - £10m	2
Greater than £10m	1
Total	3



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