![worcestershire county council logo]

Items marked to follow

Corporate and Communities Overview and Scrutiny Panel
Monday, 14 February 2022, 2.00 pm, County Hall Worcester

Membership
Councillors:
Cllr Mike Rouse (Chairman), Cllr James Stanley (Vice Chairman), Cllr Mel Allcott, Cllr Aled Evans, Cllr Laura Gretton, Cllr Peter Griffiths, Cllr Emma Marshall, Cllr Natalie McVey and Cllr Craig Warhurst

Agenda Supplement

Agenda produced and published by the Assistant Director for Legal and Governance, County Hall, Spetchley Road, Worcester WR5 2NP. To obtain further information or hard copies of this agenda, please contact Samantha Morris 01905 844963 or Alison Spall 01905 846607, email:scrutiny@worcestershire.gov.uk

All the above reports and supporting information can be accessed via the Council's website at here

Date of Issue: Friday, 4 February 2022

This page is intentionally left blank

worcestershire
c o u n t y c o u n c i l

CORPORATE AND COMMUNITIES OVERVIEW AND SCRUTINY PANEL 14 FEBRUARY 2022

SMARTER, HEALTHIER AND GREENER WAYS OF WORKING

Summary

1. The Corporate and Communities Overview and Scrutiny Panel has requested an overview of the activities and initiatives being undertaken by the Council in support of the Smarter, Healthier and Greener ways of working agenda.

2. The Cabinet Member with Responsibility for Corporate Services and Communication and Assistant Director for Transformation and Commercial have been invited to attend the meeting.

Introduction

3. The Panel has requested further information on the following areas:

- The Council's Smarter Working Strategy and how this compares to other Local Authorities, in particular, what Strategies being adopted by District Councils, and more broadly what nearest neighbour authorities are doing
- The Council's offer in respect of staff incentives and salary sacrifice schemes
- The implications of the Council's approach in respect of workforce and workforce strategy
- The Councils estate strategy within the context of Smarter Working, including sustainability, fitness for purpose etc
- Examples of where the Council has (or is considering) changing its service delivery model in-light of Smarter Working

Overview

4. Smarter, greener and healthier ways of working are all significant and broad topics of discussion, impacting across all areas of the Authority and the services provided. The paper presented herein has refined the focus on the following key areas:

- **Operating models** – an overview of what is meant by smarter, healthier and greener ways of working, a summary of the Council's overall smarter working aspiration, operating practices, how these have evolved and what is being seen elsewhere

- **Estate utilisation and sustainability** – estate overview, estate rationalisation and OPE (districts and wider) and estate sustainability

- **Workforce transformation** - workforce strategy, recruitment and retention, health and wellbeing and electric care scheme

Operating Models

Meaning of smarter working and the Council's aspiration

5.   Smarter Working is a commonly used term but one that carries with it a number of different and varied meanings and intentions, ranging from the fairly simple "remote working" through to a fundamental shift in the operating model and practices of an organisation. Smarter Working has been defined by the Chartered Institute of Personnel and Development (CIPD) as "an approach to organising work that aims to drive greater efficiency and effectiveness in achieving job outcomes through a combination of flexibility, autonomy and collaboration, in parallel with optimising tools and working environments for employees" (CIPD 2014 [3]). This definition is a broadly accurate summary of what Smarter Working is to the Council (and is clear how it differs from remote working as a principle).

6.   Smarter working is not led by where you work from, and nor is it a measure of days in the office. Smarter working is a principle and an overarching objective/outcome rather than a particular defined operating state. It's about improving business efficiency and performance and improving customer outcomes and satisfaction.   It's about achieving this not by "working harder or more hours" but by "working smarter/more intelligently", providing the right enablers and removing the barriers to high performance.

7.   Smarter working is in many respects a People development programme – empowering teams and giving them autonomy to work in a manner that facilitates high performance, giving them responsibility and ownership of outcomes and their delivery, and promoting greater collaboration whilst breaking down silos. Whilst tools, technology and estates are enablers of the people, they aren't the "objective". The objectives is to provide a means to allow the Council's workforce to "work smarter", providing the right tools, process and environment to be able to do so. With the ultimate outcoming being an improved service to Worcestershire's residents, that is sustainable and fit for purpose.

The Council's Smarter Working Programme

8.   The Smarter Ways of Working Programme will broadly look across four areas. Workforce and workforce strategy (including operational requirements, policy, total reward etc), IT and Digital (including remote working applications, automation etc), Property and Estates (including estate rationalisation, environmental sustainability, facilities management & renovation etc), and Service Reform and Optimisation (adopting reviews such as lean six sigma, performance mapping, etc). Many of these areas are addressed through existing projects or initiatives, with the programme providing the umbrella for assessing progress against the fundamental aims.

9.   The principal tenants of the programme are to deliver or create:

- Flexibility and empowerment of the workforce to allow them greater involvement in determining how best to meet customer and business needs, and the ability to "get on and deliver". This includes some discretion over where to work from, how to work and when, shifting the focus from "office

based" vs "based from anywhere" as the choices, but instead making the focus "do what is best for the customer or business outcomes".

- Performance management predicated on outcomes and effectiveness. This will still include productivity measures as indicators / KPIs, but focus is on the outcomes achieved, with greater autonomy of the directorates to determine how to achieve them.

- Cultural shift to drive responsibility and accountability for performance at all levels of the organisations. Employees must demonstrate a clear ownership of the business and customer deliverables and outcomes and be responsible for ensuring the Council is achieving what it says it will. This introduces greater flexibility to how the outcomes themselves are achieved, both at an individual and service design level, looking at channel and place-based strategies, digital enablement, and community engagement/volunteering.

10. Some of the desired outcomes of Smarter Working include:

- An agile and empowered workforce with high wellbeing and an appropriate work/life balance. This will in-turn improve performance, retention and the ability to attract potential new employees. Agile working provides an opportunity to increase diversity and inclusion in the Council's workforce to mirror our communities. Equally, this will promote a better physical and mental wellbeing amongst the workforce, with the corresponding benefits to the individuals, the Council and our residents.

- To deliver improved commercial outcomes, look at ways to both reduce expenditure and optimise both income opportunities and capital receipts, ensure Council resources are aligned to the political aspirations of the Authority.

- To deliver improved performance and productivity with a corresponding impact on the services we provided to customers and residents. The Council wants an operating model that leverages the benefits of smarter working and translates these into improvements in outcomes to customers and residents by way of demonstrably enhanced performance/productivity.

- To make Worcestershire County Council a place people want to work, providing a work environment that meets the expectations of a modern workforce, that is technology enabled, and leads with being digital first and to contribute to the Council's wider commitment to lowering our carbon footprint and being sustainable for the future.

- To operate a streamlined and right sized estate; but one with the right points of presence across the County, either via council own buildings or those of partners, to offer the services residents expect and to provide the best and most efficient service to meet their needs, enable the best life chances and prevent future pressures where possible.

Steps Taken Towards Delivery of Smarter Working for the Council

11. The Covid-19 pandemic has driven a need for unprecedented change in how the Council operates, both in respect of the speed and scale of the change that has been required. Below are a small selection of the initiatives the Council has undertaken, or is undertaking, or has planned for the future against each of the four core areas of focus.

Digital Technology

Delivered:
- Microsoft Teams rolled out with additional IT equipment to enable staff to work from home
- Installation of MS Teams Kit to 90% of meeting rooms (only low-capacity rooms excluded) enabling effective hybrid meetings
- Development of 35+ bespoke applications during 21/22 alone, written through low code platform, enabling automation and effective management of key process and activities
- Digital enablement of Here2Help
- Room booking and desk booking applications developed
- VPN infrastructure upgraded to increase resilience, reliability and capacity
- Greater resilience to the internet circuit, together with increasing capacity and alternative provision for people who had problems getting a VPN connection
- Upgraded the internet firewalls

Planned / In-Progress:
- The website is being replaced to ensure the Council can support and deliver outcomes from the Corporate Strategy, Digital Strategy and the Customer Management Strategy. The website www.worcestershire.gov.uk is the front door into all of online services, information, advice and guidance for residents, visitors, communities and businesses.
- The Council will be replacing OurSpace with an Intranet that will be engaging, accurate, up to date and focussed on the needs of staff. The Council requires a modern intranet that helps connect and engage employees to boost productivity, increase retention and drive engagement.
- A Digital Programme Plan is established to deliver the priorities laid out in the Digital Strategy

Human Resources and Workforce

Delivered:
- Wellbeing Strategy approved and two Wellbeing Operations Partners appointed to deliver the strategy to support the wellbeing of the workforce.
- Internal Mental Health First Aiders programme and Wellbeing Hub established.
- Re-introduction of Flexible and Mobile Environment Policy (FAME). This has been supported by our recognised Trade unions (GMB and Unison) and is in line with other regional and Local Authorities.
- Implementation of a Mandatory Learning Programme
- New Learning Management System – Go Live April 2022

- New recognition agreement with the recognised Trade Unions

Planned / In-Progress:
- Delivery of the Workforce Strategy in particular to 'fast track' aspects aligned to Smarter Ways of Working (SWoW). Examples include (not exhaustive):
    o HR System Enablement
    o Streamlined, simplified and standardised working practices
    o Review of job evaluation and introduction of 'generic job catalogue'
    o Review, refresh and align of people policies to support SWoW
    o Undertake skills audit for 'hot spot' for specific areas identified through succession plans
    o Targeted review of recruitment, talent & retention in 'hard to fill' or 'new' areas identified through SWoW
    o Review of future Terms and Conditions to ensure fit for purpose aligned to SWoW
    o Targeted wellbeing communications and activities including Wellbeing Wednesday and quarterly wellbeing days which address all wellbeing domains
    o Physiotherapy and counselling triage service
    o Employee wellbeing needs analysis with tailored wellbeing plan.

- Maintaining positive employee relations through regular engagement with the recognised Trade Unions through established framework.

<u>Property and Estates</u>

Delivered:
- Improvements to the working environment including:
    o Renovations of Pavillions (ongoing)
    o Renovations of Meeting Rooms
    o New desk layouts to improve capacity during COVID distancing
    o New equipment and furniture
- Implementation of CO_2 monitors to facilitate an increased return to the office
- New meeting rooms created, with more to be constructed, facilitating collaborative working when in the office
- Solar Panels installed at wildwood, reducing running costs, and increasing potential lease yield.
- Reformed canteen facilities
- Building energy management (BEMS) systems upgraded for schools

Planned / In-Progress:
- One Public Estate (OPE) review in progress considered options for utilisation and rationalisation of the wider public estate across the Council, District Councils and Emergency Services
- Migration from Wildwood to County Hall, and reorganisation of the pavilions to introduce hotdesking and greater levels of capacity (in-progress)
- Condition survey audits of the entire estate commenced
- Asset audits to be undertaken of our entire estate (to commence April 2022)
- Separate programme of Energy Sustainability Audits (in-progress), with planned works to be assessed and delivered from July 2022 onwards
- Accelerated disposals programme intended to reduce the size of the Council's estate and release capital receipts.

<u>Operational efficiency and performance</u>

Delivered:
- Pentana risk system procured and stood up. Population of risk and performance data nearing conclusion, with launch anticipated for Q1 data in 2022. Accessible via MS Teams.
- Power BI dashboards being adopted across a number of services areas (see commercial example below)
- Service reviews in progress, including Communities (as part of Here2Help programme), HR (as part of workforce strategy), Finance and MIAR

Planned / In-Progress:
- Data Warehousing Pilots for HR, Property and Finance in development
- Service reviews in progress, including Communities (as part of Here2Help programme), HR (as part of workforce strategy), Finance and MIAR
- Verto Programme Management Solution in process of being implemented across Transformation and Commercial, Property, Finance, E&I major projects, Sustainability, and IT, providing a single project and programme management solution with visibility via MS teams.

Performance and Analytical Dashboards

12. As part of the Council's wider Smarter Working aspirations, it is exploring data and performance management solutions, both from a front end data visualisation perspective, and back end infrastructure. As previously outlined, a data warehousing solution is being explored with pilots proposed from HR, Finance and Property services initially. In terms of the front end solutions, the Directorate is already beginning to see the development and deployment of solutions for Risk, Performance and Commercial data, as well as being widely adopted across IT. Examples are provided below of the Commercial dashboard, and Pentana Risk dashboards.

Commercial Analytics Dashboards – Power BI, and Risk Dashboard - Pentana

Corporate and Communities Overview and Scrutiny Panel – 14 February 2022
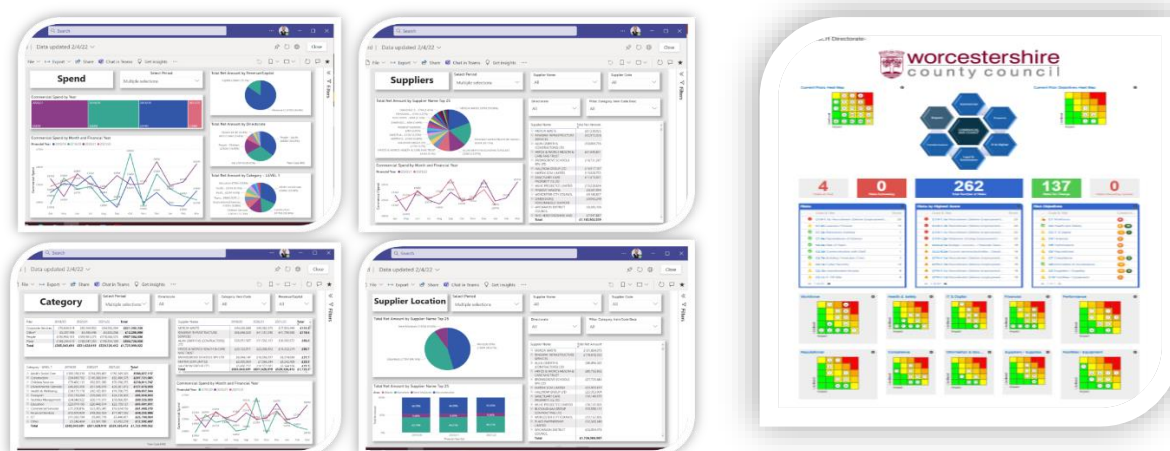
13. The Council's procurement dashboard is attached at Appendix 1

Hybrid working, the Council's approach and what is being seen elsewhere

14. The term "hybrid working" is a generalist reference to three different models of working that would be useful to outline in advance; namely, Remote Working, Flexible Working and Fully Agile Working.

- **Remote Working**
  Remote working (which encompasses "home working") is the most prescriptive / inflexible of the three approaches. It proposes a fixed location of work with a prescribed number of days in attendance. The alternate days are spent working from home. Whilst lacking many of the benefits to the business and employee for Flexible or Agile working, remote working is necessary for certain roles and industries as a consequence of the logistical / business need. Remote working is adopted effectively and necessarily by the Ministry of Defence, MI5/6, Bank of England, some emergency services, and across a number of senior civil service functions where the nature of the roles dictate locations and attendance be prescriptive. The Directorate has seen this model adopted more broadly across the Public Sector given the relative simplicity to implement and manage.

- **Flexible Working**
  Flexible working takes remote working a step further in that it allows employees to work from any number of locations, and is typically not prescriptive on "days in the office". Employees are empowered to choose the best location from which to deliver the business need, and a responsibility is placed on them to ensure they do so. This allows the business to better facilitate customer need, and the employee feels empowered to deliver in a manner they see fit. Pre-pandemic, this model was rare in the public sector, however it is being adopted increasingly by Local Authorities since that time. This is a widely adopted model in the private sector due to the benefits offered from estate rationalisation, access to customers and points of presence, and management of expenses.

- **Fully Agile Working**
  Fully Agile working is similar to flexible working in most respects, but shifts the conversation away from locations and facilities to one that focuses entirely on business and customer outcomes. The employee is tasked with delivering the best possible outcomes, without any requirements stipulated on office attendance. In addition, varying degrees of flexibility are afforded (and expected) on working days and hours, with delivery of the expected performance levels being the focus. This model is rarely adopted in the public sector, but it is a commonly adopted model in larger service focused private sector organisations, and across industries such as IT, Consultancy, Finance, Sales etc.

15. Since the pandemic, all Local Authorities have adopted a remote (home) working model, with little impact on service delivery and many reporting an increase in productivity and performance, as well as improved service outcomes. Emerging from the pandemic, Local Authorities are now considering how to leverage these benefits into the future. All Local Authorities engaged with, both locally and nationally, will be adopting some form of "home working" model, with most considering Flexible or Remote

working as suitable alternatives. Below is have outlined the position being adopted by the Worcestershire District Councils, as well as the Council's own position.

Approach adopted by District and County Councils

16. The County and District Councils, are to some degree, migrating towards permanent hybrid working models. District Councils are adopting a fairly diverse approach across both Remote and Flexible working arrangements. Based on recent consultations with Chief Executive Officers, a majority are proposing no minimum number of days in the office, with the two proposing either "2 days minimum" or "a majority of time in the office" (though without being prescriptive on actual days). Having a mixed economy of models is advantageous as the Council will be able to engage and observe effectiveness and impact, and in-turn use this information to help inform its own ways of working.

17. From a County Council perspective (and generally, something observed in larger Authorities), there is a greater degree of flexibility and discretion being afforded in determining where and how individuals work with a stated focus being on outcomes and business need as opposed to necessarily being prescriptive on number of days. This aligns more to the Flexible Working model of hybrid working. Consequently more ambitious estate rationalisation programmes are being seen in these instances.

18. This Council is proposing to adopt a hybrid model that combines aspects of the remote working/flexible working principles, that will include some working away from the office and some office time. This is presently aligned to existing Flexible and Mobile Environment (FAME) Policy. The Council will be prescriptive on the number of days and in most cases, the location that an individual will be required to work from. Consequently, the Council's own policy is more akin to the Remote Working model.

19. It is recognised that the working locations throughout the pandemic have been mixed, with many staff working from home, and business need has meant some have continued to work from Council offices and third-party locations.

20. Home working has been a tremendous success and going forward to work smarter, this will continue to be key. The Council also recognises the benefits that more face-to-face meetings can have in connectivity, well-being and providing opportunities facilitate efficiencies through process mapping, team planning, or cross-service interaction. This is consistent with many organisations across the County and Country.

Estate Overview Including Sustainability

Estate Overview and Condition

21. **Estate Overview:** the Council presently has 655 properties and estates, of which 19 are considered office buildings, 11 depots, and a further 28 that potentially offer some form of limited remote working capacity. Conditions surveys are presently being undertaken across the entire corporate estate. The Council operates a corporate landlord model which is moving towards centralised management and delivery of the estate facilities (inc centralised budgets). This will allow utilisation of the estate to be determined based on need and optimum use, and consequently facilitate the identification of opportunities for sale, lease or joint occupancy with Districts, NHS and emergency services.

22. A summary is provided below of number and types of facilities:

Asset types	Quantity
Office Buildings/office presence	19
Day Centres/Residential Homes	42
Depots/workshops	11
Waste Disposal sites	15
School/Nursery/CC	461
Community buildings	7
Libraries/registration	21
County Parks/ Museums/Traveller sites	30
Investment	2
Estates/Parishes	28
Surplus/held for sale	19
Total	**655**
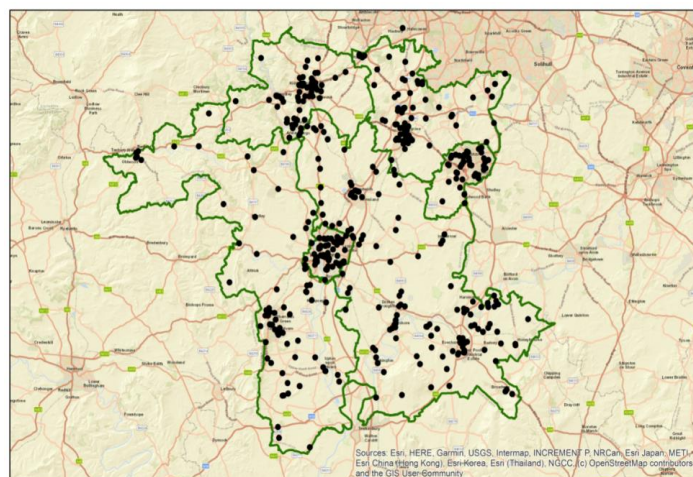
Estate Condition Summary

23. The Council's estate is in a mixed state of repair, and initial conditions surveys are highlighting areas where the Council may wish to focus investment. The Council has adopted a commercially astute approach to its estates, in order to minimise the planned facilities maintenance costs. In light of this, the Council is now beginning to see an impact on the reactive maintenance requirements. In addition, fortunately there has been little requirement to undertake major works over the past 10 years, however requirements have now begun to emerge for works of this type which will require additional capital investment. It is reasonable to assume further requirements for investment of the type will emerge over the course of the next 10 years given the age of the Council's assets. Finally, compliance continues to be challenging to maintain with such a large estate and is an area of focus for the FM team presently, with a requirement to review and develop a more sustainable delivery and management model (including the implementation of a "local officer in charge" structure).

24. A number of Council buildings no longer offer the sort of facilities required for the types of services delivered or the manner in which Directorates work, and consequently options are either to divest of the facilities, or invest to remodel and remediate. The Council has developed an accelerated disposals programme which will see a smaller, more streamlined estate, and allowing investment of the capital maintenance programme across a smaller footprint to ensure the estate is fit for purpose.

One Public Estate – Front Door and Back Office Review Programme

25. The One Public Estate (OPE) Front Door and Back Office Review Programme has been developed to undertake a comprehensive review of public sector office accommodation and Points of Presence across Worcestershire to support a leaner post-COVID estate, focusing on the most efficient assets, co-location opportunities, reducing the impact of carbon emissions and promoting the release of surplus land for housing. £250,000 in funding has been secured covering the following areas:

- Grant-options appraisal - £100,000
- Grant-Project Management - £20,000

- Grant-Energy Assessment - £20,000
- Feasibility studies - £100,000

26. A total of 125 locations are in-scope with a footprint of approximately 2.03 million square feet.

27. The review will look at:

- Establishing a new way of supported working for employees which reduces the need for large portfolios of back-office accommodation
- different ways of providing office hubs through WOPEP partners, GP surgeries and the private sector (potential partnership with a company like Regus who are currently rolling out virtual offices which offer a range of accommodation options for clients)
- removing buildings that are poor in terms of energy efficiency
- buildings being open for longer to again provide more flexibility for employees and better use of accommodation and reduce the impact of the "rush hour"
- creating office space in front line service buildings where there is capacity or the ability to improve how these services are delivered to free up space
- how the public sector can better support the sustainability and growth of town centres with the location of back-office and public facing hubs and business incubator space
- office demand in Worcestershire with the Worcestershire Local Enterprise Partnership (LEP)

Sustainability of the Council's Estate

27. The Council has committed to achieving net zero emissions by 2050. In order to achieve that aspiration, the Council will be required to update its estate through refurbishment and reengineering, or simply through rebuild, delivering a more sustainable and energy efficient portfolio. Achieving this aspiration will not be without cost, and a 3% year on year reduction in our emissions is an ambitious target. Consequently, it will be necessary to identify and secure as much grant funding as possible in order to achieve this aim. This year alone, the Council has successfully submitted applications for £1.2m in funding with no match funding required.

28. Energy costs are increasing rapidly, both at a consumer and corporate level. As the second biggest emitter of CO2, and with an imminent contract renewal required, street lighting has become a priority to address. Further funding has been secured to accelerate the LED streetlighting programme, bringing the completed date forward from the end of 2025, and delivering a 70% reduction in energy costs and emissions for each light converted. Approximately 55% of the estate has been converted to date.

Energy Audits

29. In September 2021, the Energy and Sustainability Team within Property Services secured funding to undertake surveys across the estate (both corporate and maintained schools) to ascertain the remediations required to achieve net zero, and to provide cost information on funding required to deliver this. A further requirement has been stipulated that the provide produced the report in a form that allows their subsequent compliant

submission for grant funding to undertake the works. The surveys are to be concluded by the end of March 2022 with a further grant submission to be made shortly thereafter.

Workforce

30. This section of the paper will cover:
- Workforce strategy
- Recruitment and retention
- Health and Wellbeing summary

31. The Workforce Strategy 2021 – 2024 has been informed by best practice approaches across public and private sector as well as reflecting key feedback from Staff Survey 2020 which achieved a 70% response rate.

32. The Directorate also undertook an organisation wide 'Big Conversation' to engage employees in the creation of the final Workforce Strategy 2021 – 2024.

33. The Workforce Strategy 2021 – 2024 is designed to build an organisation with the personal and collective resilience to drive the Council forward in these challenging times and sets out its long term ambition in support of Smarter Ways of Working.

34. Alongside a culture of continuous improvement, the Council is giving the workforce responsibility, accountability and most importantly the power to act. This will drive performance and the ability to meet residents' needs in the future as demand and complexity increase.

35. The Council's Human Resources Operations Partners are currently working with relevant Directorate Leadership Teams to create annual workforce plans which address workforce capacity and capability and future workforce demand. These will inform the creation of Strategic Workforce Plan which will set out the long-term workforce interventions to enable the Council to proactively meet the changing needs of the organisation.

36. A comprehensive update on current recruitment and retention activity has been provided for Agenda Item 'Recruitment and Retention of Staff'. This details how the Council is meeting the current challenges nationally, and planned activity to meet future requirements.

37. The Council will enhance candidate attraction and retention of existing workforce, through the development of a compelling Employee Value Proposition, underpinned by a robust Total Reward Strategy.

38. The Council's refreshed employee value proposition (EVP) will set out our unique set of benefits that an employee receives in return for the skills, capabilities, and experience they bring to the organisation improving our ability to attract and retain staff.

39. At present there are two salary sacrifice schemes: Kiddivouchers (only accessible to those who had signed up to this government scheme on or before 04 October 2018) and the Tax-free bikes for work – Cycle Scheme. Work has commenced to set up a Green Car Scheme, which will launch in 2022.

40. The Directorate has set out the Council's wellbeing approach, as part of the Workforce Strategy and commenced scoping and delivery of wellbeing programme focused on the CIPD's 7 domains of employee wellbeing, health, good work, values and principles, collective/social, personal growth, good lifestyle choices and financial wellbeing. The Directorate has identified both the short term responsive and longer-term preventative actions and have recently inducted the two HR Operations Partners (Wellbeing) to lead the continued development and implementation of the Council's approach.

41. The Council will continue to build on and engage with recognised Trade Unions and staff, including more co-production on polices, working practices, equality, diversity and inclusion, as well as total reward and performance frameworks. Terms and conditions changes will need to be identified and consulted with on the basis of reaching collective agreement.

42. The Council will focus on developing a skills programme for staff and managers/leaders that ranges from simple technology skills to managing staff remotely and ensuring the health, welfare and well-being / connectivity of teams in the new ways of agile working. It is suggested a skills audit of what exists and what is needed is a key first task, and that the scope to build, design and deliver an in-house programme utilising the apprenticeship levy on all occasions is prioritised with a clear delivery plan to support organisational aims once defined.

43. Staff engagement, Co-Production and Communication are critical. In the last 2 years staff engagement has significantly improved and an environment has been created where staff are openly engaged with 70% plus of staff responding to staff surveys. This has also seen the creation of staff engagement groups e.g. Staff Culture Working Group/Staff Wellbeing Group.

Green car scheme

44. The Council has recently awarded a contract to Tusker to provide a salary sacrifice electric car scheme for use by Council employees. Work has commenced by HR to finalise the operational requirements to implement and deliver the service, and this is anticipated to conclude by April 2022. The scheme will provide access to a series of exclusively low carbon emission vehicles, with staff able to benefit from a salary sacrifice arrangement (saving income tax on the sacrificed amount). HMRC currently offers a significant incentive to support these schemes with a reduced benefit in kind tax of 2% on electric vehicles until 2025.

Legal, Financial, and HR Implications

45. This Paper is for information purposes with all projects and initiatives being subject to separate approvals and scrutiny. No further implications derive from this submission

Equality and Diversity Implications

46. This Paper is for information purposes with all projects and initiatives being subject to separate approvals and scrutiny. No further implications derive from this submission.

Purpose of the Meeting

47. The Corporate and Communities Overview and Scrutiny Panel is asked to:

- Consider the information provided
- Determine any comments the Panel would wish to make to the Cabinet Member with Responsibility for Corporate Services and Communication and/or Communities
- Agree whether any further Scrutiny is required at this stage.

Supporting Information

Appendix 1 – Procurement Dashboard

Contact Points

Emma James / Jo Weston, Overview and Scrutiny Officers
Tel: 01905 844965/844964 Email: scrutiny@worcestershire.gov.uk

Background Papers

In the opinion of the proper officer (in this case the Assistant Director for Legal and Governance) the following are the background papers relating to the subject matter of this report:
- Agendas and Minutes of the Corporate and Communities Overview and Scrutiny Panel available on the website here weblink to Agenda and Minutes

This page is intentionally left blank

Procurement Dashboard

[View in Power BI](↗)

Last data refresh:
2/4/2022 2:33:53 PM UTC

Downloaded at:
2/4/2022 4:03:59 PM UTC

Procurement

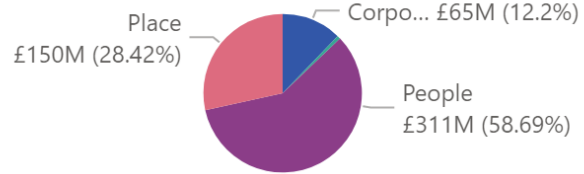**Select Period**
2021/22

Revenue/Capital
All

140
Contracts Starting in Period

367
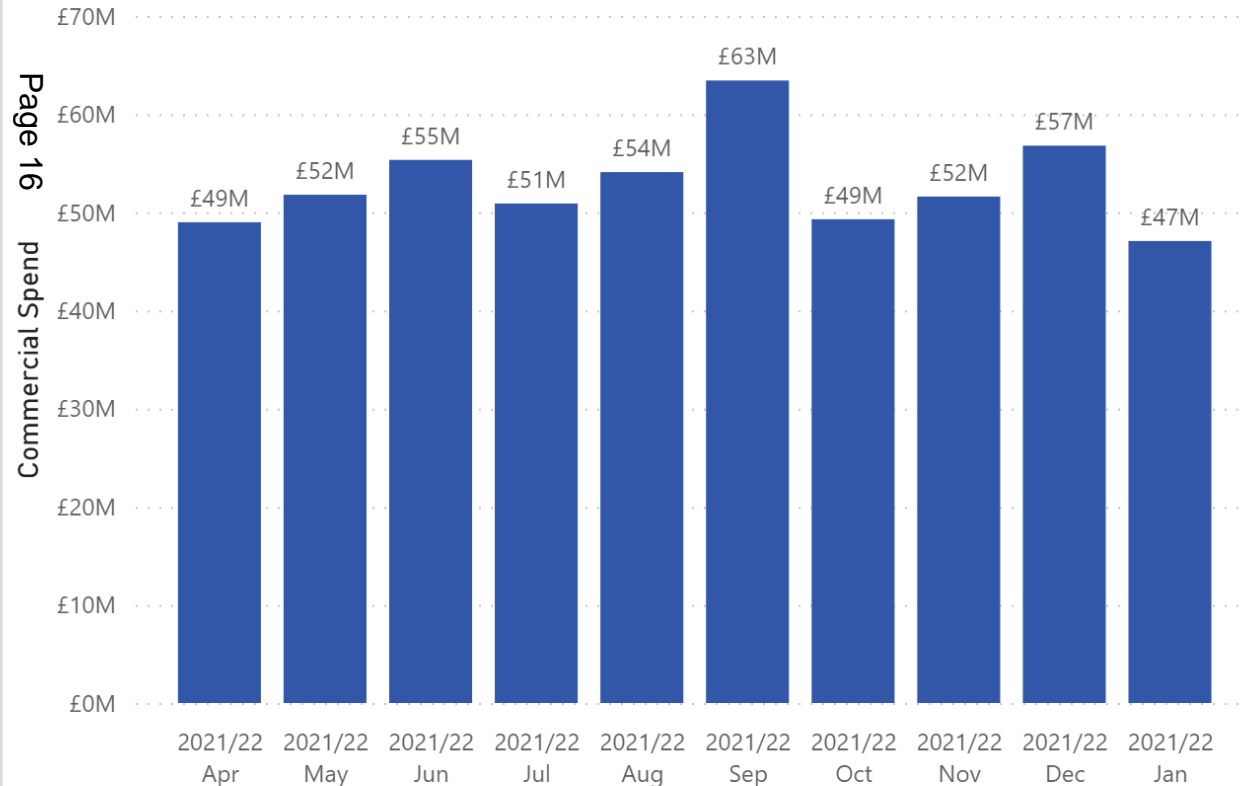Contracts Ending in Period

£529M
Commercial Spend

Pie chart:
- Place £150M (28.42%)
- Corpo... £65M (12.2%)
- People £311M (58.69%)

£10.77M
Value of Starting Contracts

£119.51M
Value of Ending Contracts

Commercial Spend by Year & Month

Commercial Spend (Y-axis: £0M to £70M)

Period	Spend
2021/22 Apr	£49M
2021/22 May	£52M
2021/22 Jun	£55M
2021/22 Jul	£51M
2021/22 Aug	£54M
2021/22 Sep	£63M
2021/22 Oct	£49M
2021/22 Nov	£52M
2021/22 Dec	£57M
2021/22 Jan	£47M

Savings by Financial Year and Type

Type ● Delivered ● Expected ● Target

Savings (Y-axis: £0M to £8M)

Expected: 20/21 £7.0M, 21/22 £6.6M, 22/23 £8.7M, 23/24 £8.7M, 19/20 £3.5M, 24/25 £4.3M

Delivered: 20/21 £2.7M, 21/22 £4.1M, 22/23 £0.7M, 23/24 £0.5M, 19/20 £3.4M(?), 24/25 £0.6M; £1.2M

Target: 20/21 £4.0M, 21/22 £1.5M, 22/23 £2.5M
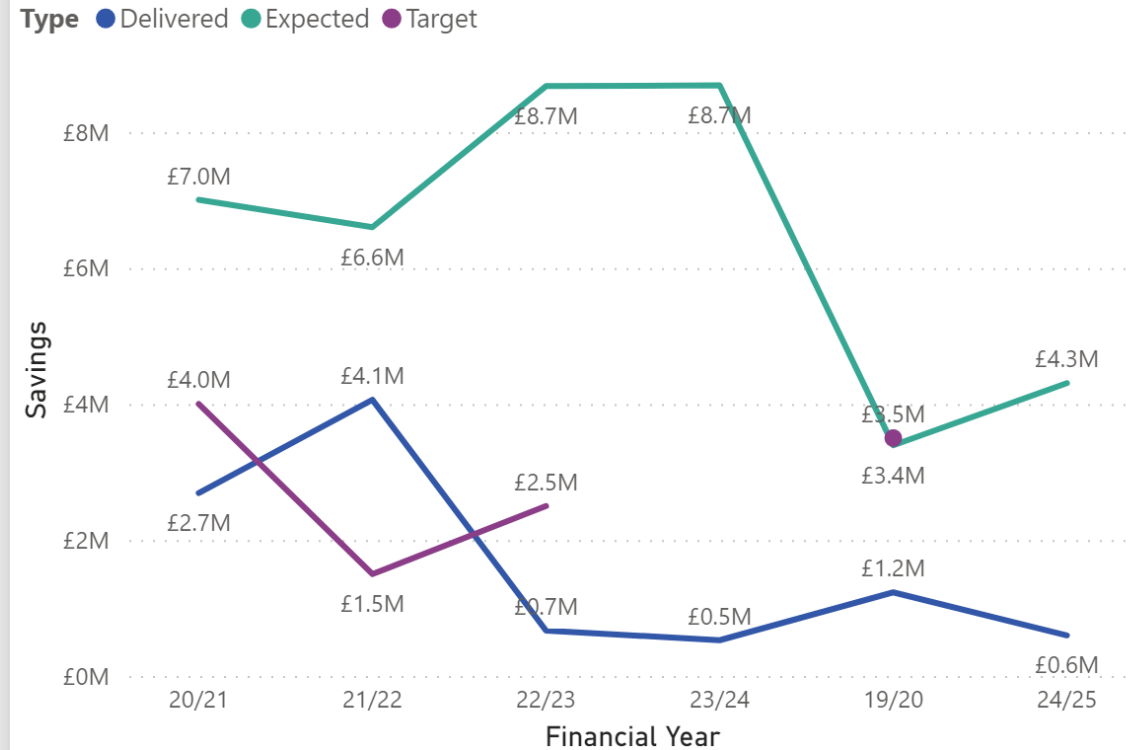
Financial Year

Spend

Select Period

Multiple selections ▼

Total Net Amount by Revenue/Capital

Capital £286M (15.1%)

Revenue £1,610M (84.9%)

Commercial Spend by Year

2020/21	2019/20	2018/19	2021/22
£632M	£565M	£544M	£156M
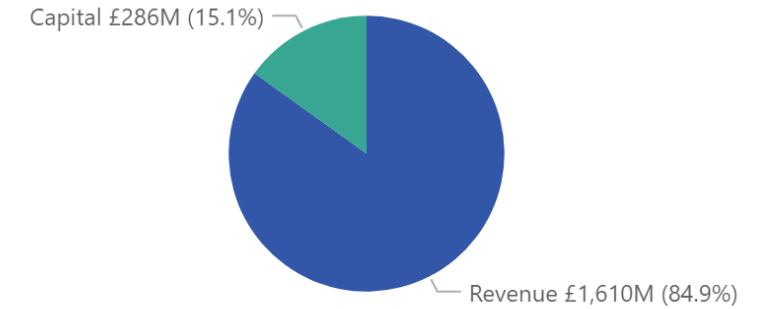
Total Net Amount by Directorate

COaCH £61M (3.24%)
WCF £104M (5.48%)
People - Children £312M (16.43%)
People - Adults £680M (35.85%)
E&I £581M (30.65%)
*Item Code MISC

Commercial Spend by Month and Financial Year

Financial Year ● 2018/19 ● 2019/20 ● 2020/21 ● 2021/22

Commercial Spend axis: £70M, £60M, £50M, £40M

Data points: £68M, £63M, £62M, £56M, £55M, £56M, £55M, £55M, £54M, £53M, £54M, £51M, £51M, £51M, £52M, £50M, £50M, £49M, £49M, £49M, £48M, £48M, £49M, £47M, £46M, £46M, £46M, £44M, £43M, £43M, £42M, £41M, £40M, £40M, £39M, £38M, £38M, £38M, £37M
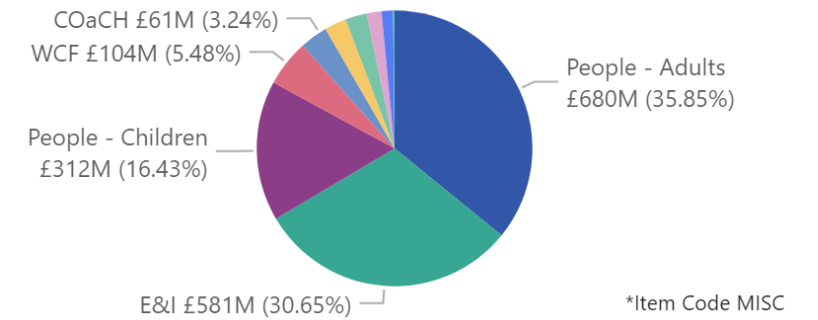
Months: Apr, May, Jun, Jul, Aug, Sep, Oct, Nov, Dec, Jan, Feb, Mar
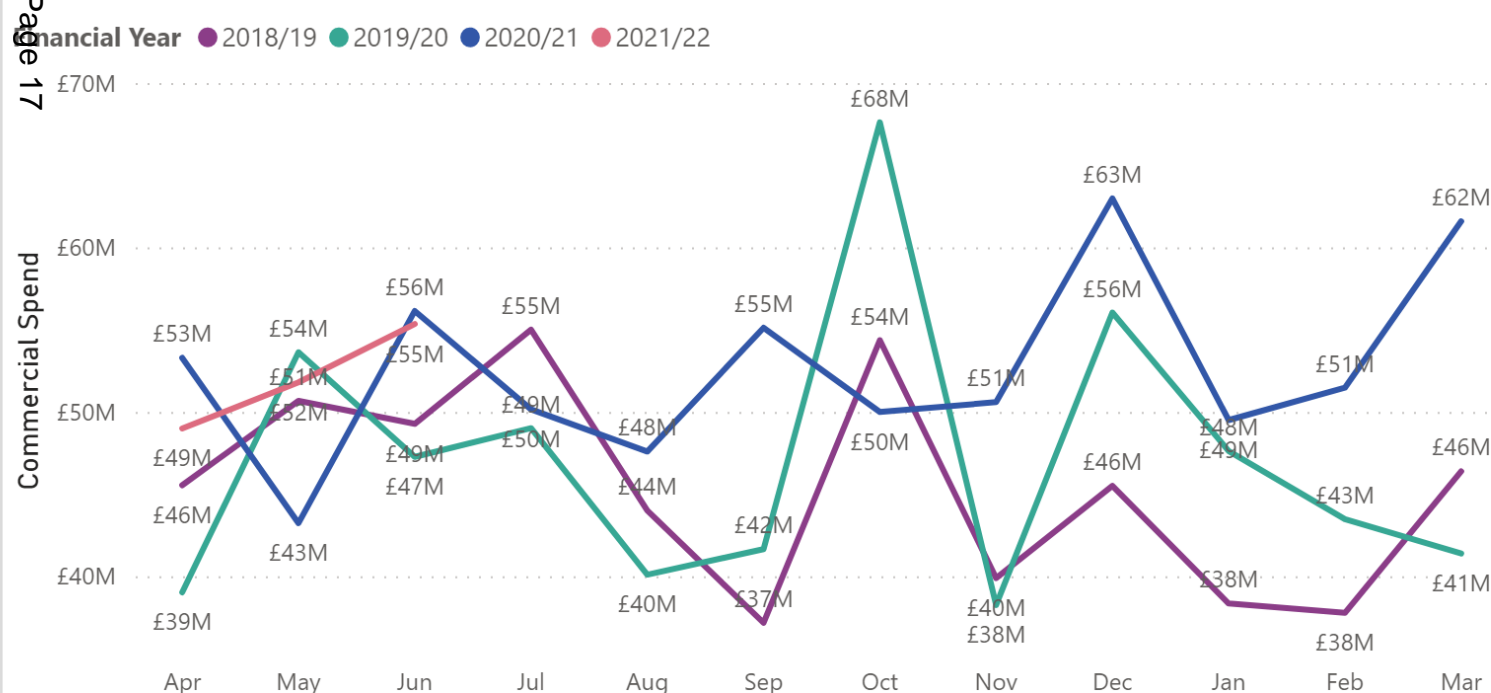
Total Net Amount by Category - LEVEL 1

Commercial Services £76M (3.99%)
Health & Wellbeing £93M (4.9%)
Trans... £96M (5.07...)
Environmental Services £165M (8.68%)
Children Services £261M (13.75%)
Adult's Social Care £608M (32.08%)
Construction £315M (16.58%)
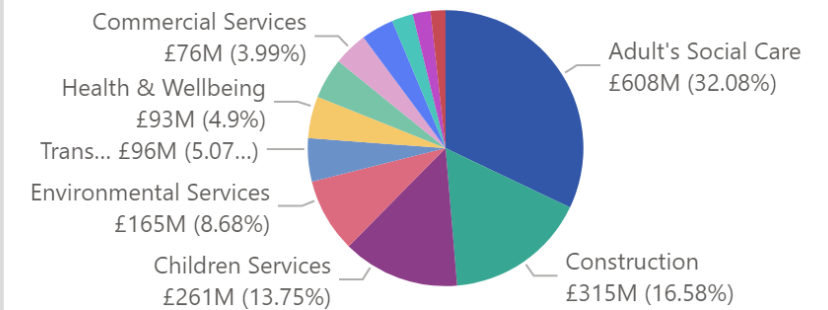
Category

Select Period
Multiple selectio... ∨

Directorate
All ∨

Category, Item Code
All ∨

Revenue/Capital
All ∨

Pilar	2019/20	2020/21	2021/22	Total
Corporate Services	£76,634,814	£80,164,950	£64,592,594	**£221,392,358**
Other*	£5,207,498	£3,455,446	£3,633,056	**£12,295,999**
People	£316,956,761	£359,961,273	£310,666,573	**£987,584,606**
Place	£166,244,619	£188,047,250	£150,434,189	**£504,726,058**
Total	**£565,043,691**	**£631,628,919**	**£529,326,412**	**£1,725,999,022**

Supplier Name	2019/20	2020/21	2021/22	Total
MERCIA WASTE	£44,626,648	£49,382,575	£37,855,449	**£131,8**
RINGWAY INFRASTRUCTURE SERVICES	£36,646,529	£41,181,040	£41,790,985	**£119,6**
ALUN GRIFFITHS (CONTRACTORS) LTD	£28,051,587	£31,502,123	£26,502,672	**£86,0**
HRFDS & WORCS HEALTH & CARE NHS TRUST	£39,123,011	£25,308,472	£16,332,379	**£80,7**
BROMSGROVE SCHOOLS SPV LTD	£8,994,147	£10,356,727	£8,374,569	**£27,7**
MATRIX SCM LIMITED	£8,095,064	£7,586,344	£8,242,409	**£23,9**
HALCROW GROUP LTD	£6,436,717	£10,573,081	£6,344,106	**£23,3**
Total	**£565,043,691**	**£631,628,919**	**£529,326,412**	**£1,725,9**

Category - LEVEL 1	2019/20	2020/21	2021/22	Total
⊞ Adult's Social Care	£180,188,310	£214,289,487	£192,349,320	**£586,827,117**
⊞ Construction	£94,845,792	£110,388,914	£92,486,375	**£297,721,081**
⊞ Children Services	£79,482,112	£82,931,380	£76,398,255	**£238,811,747**
⊞ Environmental Services	£46,850,306	£51,546,819	£39,281,813	**£137,678,938**
⊞ Health & Wellbeing	£34,171,178	£42,185,451	£19,700,715	**£96,057,344**
⊞ Transport	£32,159,284	£29,549,101	£24,230,435	**£85,938,820**
⊞ Facilities Management	£24,548,522	£26,111,517	£18,666,001	**£69,326,039**
⊞ Education	£23,074,195	£20,448,614	£22,159,121	**£65,681,931**
⊞ Commercial Services	£21,208,816	£23,305,547	£16,934,156	**£61,448,519**
⊞ Financial Services	£12,005,929	£18,262,524	£17,987,532	**£48,255,986**
⊞ ICT	£11,260,784	£9,047,778	£5,440,471	**£25,749,034**
⊞ Other	£5,248,464	£3,561,786	£3,692,218	**£12,502,467**
Total	**£565,043,691**	**£631,628,919**	**£529,326,412**	**£1,725,999,022**

*Item Code MISC

Commercial Spend by Month and Financial Year

Financial Year ● 2019/20 ● 2020/21 ● 2021/22
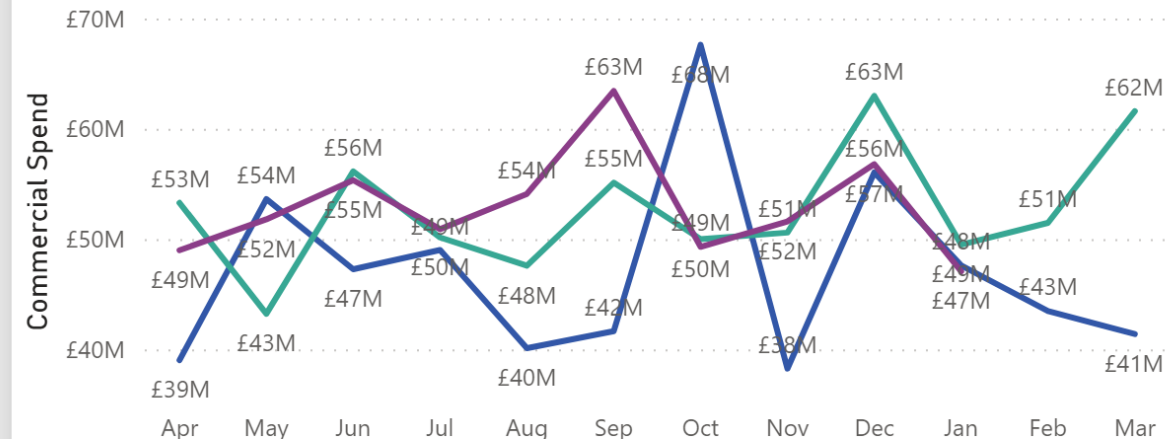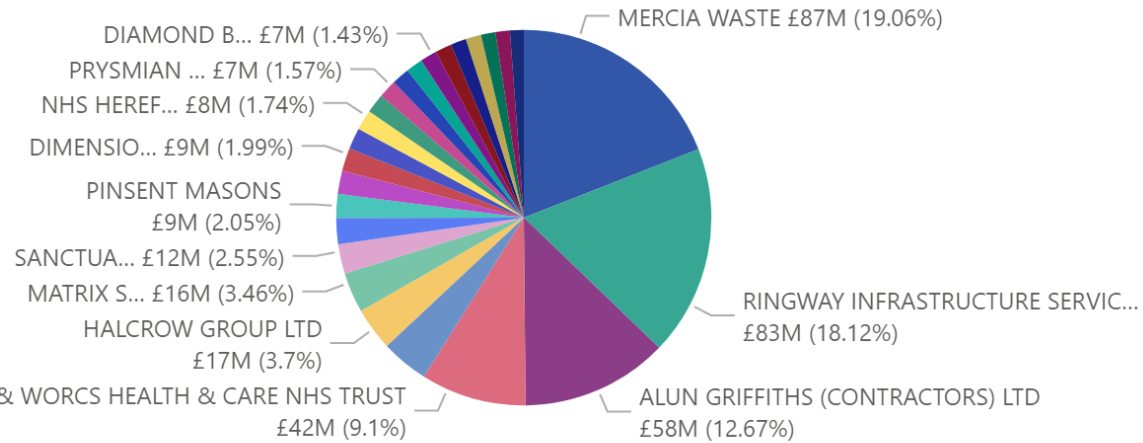
Suppliers

Select Period

Multiple selections ⌄

Supplier Name

All ⌄

Supplier Code

All ⌄

Total Net Amount by Supplier Name Top 25

Directorate

All ⌄

Pillar, Category, Item Code Desc

All ⌄

- MERCIA WASTE £87M (19.06%)
- DIAMOND B... £7M (1.43%)
- PRYSMIAN ... £7M (1.57%)
- NHS HEREF... £8M (1.74%)
- DIMENSIO... £9M (1.99%)
- PINSENT MASONS £9M (2.05%)
- SANCTUA... £12M (2.55%)
- MATRIX S... £16M (3.46%)
- HALCROW GROUP LTD £17M (3.7%)
- HRFDS & WORCS HEALTH & CARE NHS TRUST £42M (9.1%)
- RINGWAY INFRASTRUCTURE SERVIC... £83M (18.12%)
- ALUN GRIFFITHS (CONTRACTORS) LTD £58M (12.67%)

Supplier Name	Total Net Amount
⊞ MERCIA WASTE	£87,238,025
⊞ RINGWAY INFRASTRUCTURE SERVICES	£82,972,026
⊞ ALUN GRIFFITHS (CONTRACTORS) LTD	£58,004,795
⊞ HRFDS & WORCS HEALTH & CARE NHS TRUST	£41,640,851
⊞ BROMSGROVE SCHOOLS SPV LTD	£18,731,297
⊞ HALCROW GROUP LTD	£16,917,187
⊞ MATRIX SCM LIMITED	£15,828,753
⊞ SANCTUARY CARE PROPERTY (1) LTD	£11,673,031
⊞ WLHC PROJECTCO LIMITED	£10,258,624
⊞ PINSENT MASONS	£9,387,994
⊞ WORCESTER CITY COUNCIL	£9,140,827
⊞ DIMENSIONS PERSONALISED SUPPORT	£9,092,249
⊞ WYCHAVON DISTRICT COUNCIL	£8,385,106
⊞ NHS HEREFORDSHIRE AND	£7,947,887
Total	**£1,160,962,839**

Commercial Spend by Month and Financial Year

Financial Year ● 2020/21 ● 2021/22

Commercial Spend

£60M, £50M, £40M

£53M, £49M, £43M, £52M, £55M, £56M, £55M, £50M, £51M, £48M, £54M, £63M, £55M, £49M, £50M, £51M, £52M, £63M, £57M, £49M, £47M, £51M, £62M

Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar

Supplier Location

Select Period
Multiple selections

Supplier Name
All

Supplier Code
All

Directorate
All

Pillar, Category, Item Code Desc
All

Total Net Amount by Supplier Name Top 25

West Midlands £165M (9.54%)

Worcestershire £788M (45.67%)

Elsewhere £773M (44.76%)

Total Net Amount by Supplier Name Top 25

Area ● (Blank) ● Elsewhere ● West Midlands ● Worcestershire

Financial Year full	Worcestershire	West Midlands	Elsewhere
2019/20	46.78%	9.48%	43.74%
2020/21	46.20%	9.59%	44.21%
2021/22	43.85%	9.56%	46.51%
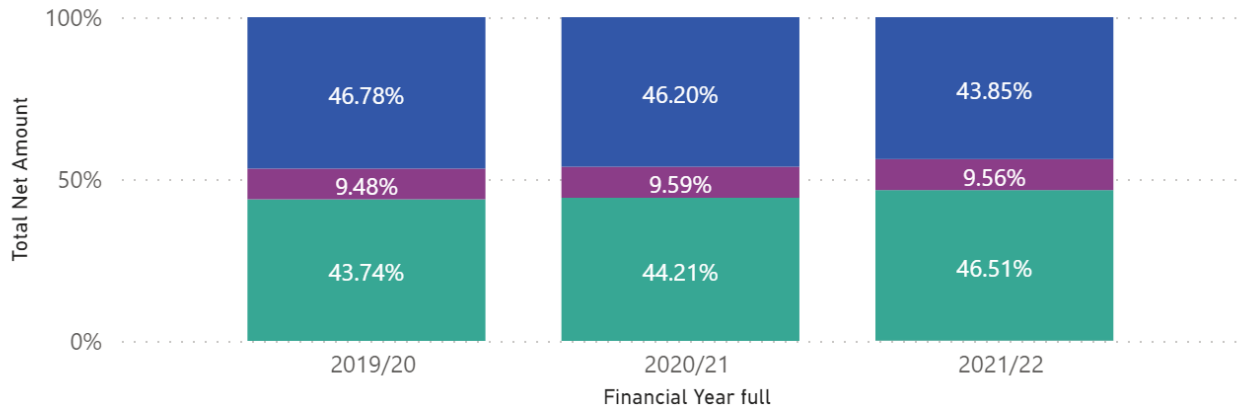
| Supplier Name	Total Net Amount
MERCIA WASTE	£131,864,673
RINGWAY INFRASTRUCTURE SERVICES	£119,618,555
ALUN GRIFFITHS (CONTRACTORS) LTD	£86,056,383
HRFDS & WORCS HEALTH & CARE NHS TRUST	£80,763,862
BROMSGROVE SCHOOLS SPV LTD	£27,725,443
MATRIX SCM LIMITED	£23,923,817
HALCROW GROUP LTD	£23,353,904
SANCTUARY CARE PROPERTY (1) LTD	£16,149,676
WLHC PROJECTCO LIMITED	£16,101,003
BUCKINGHAM GROUP CONTRACTING LTD	£13,556,111
WORCESTER CITY COUNCIL	£13,167,805
PLACE PARTNERSHIP LIMITED	£12,500,249
WYCHAVON DISTRICT COUNCIL	£12,054,473
Total	**£1,726,006,987**

Savings

Savings by Financial Year and Type

Type ● Delivered ● Expected ● Target

Page 21
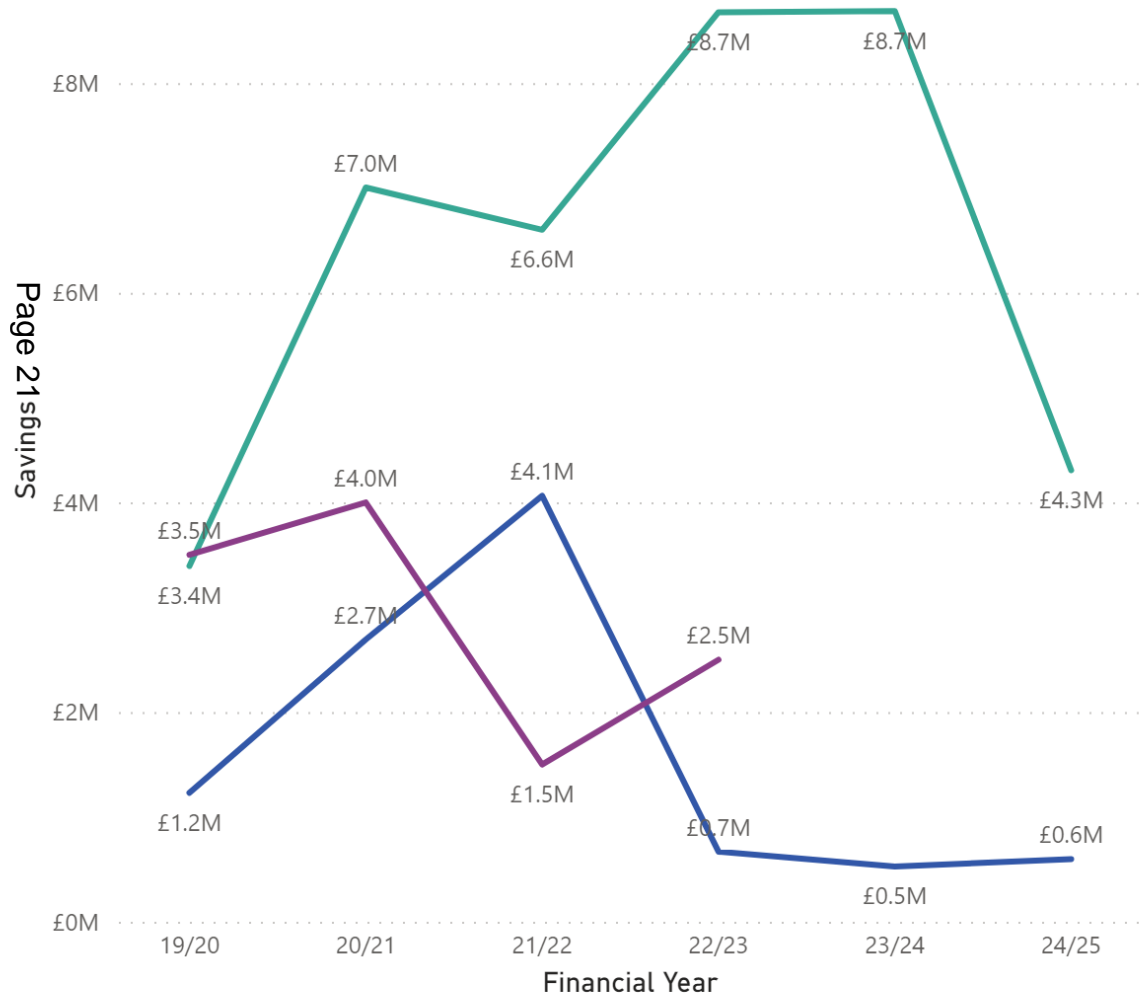
Savings delivered by Pillar
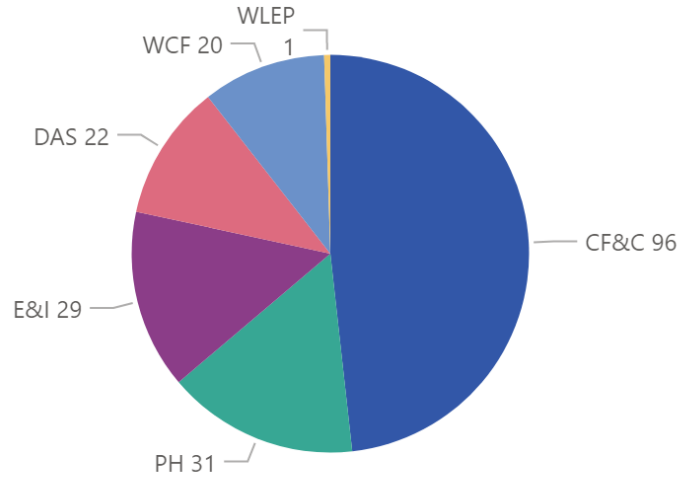
Pillar ● (Blank) ● Corporate Services ● People ● Place
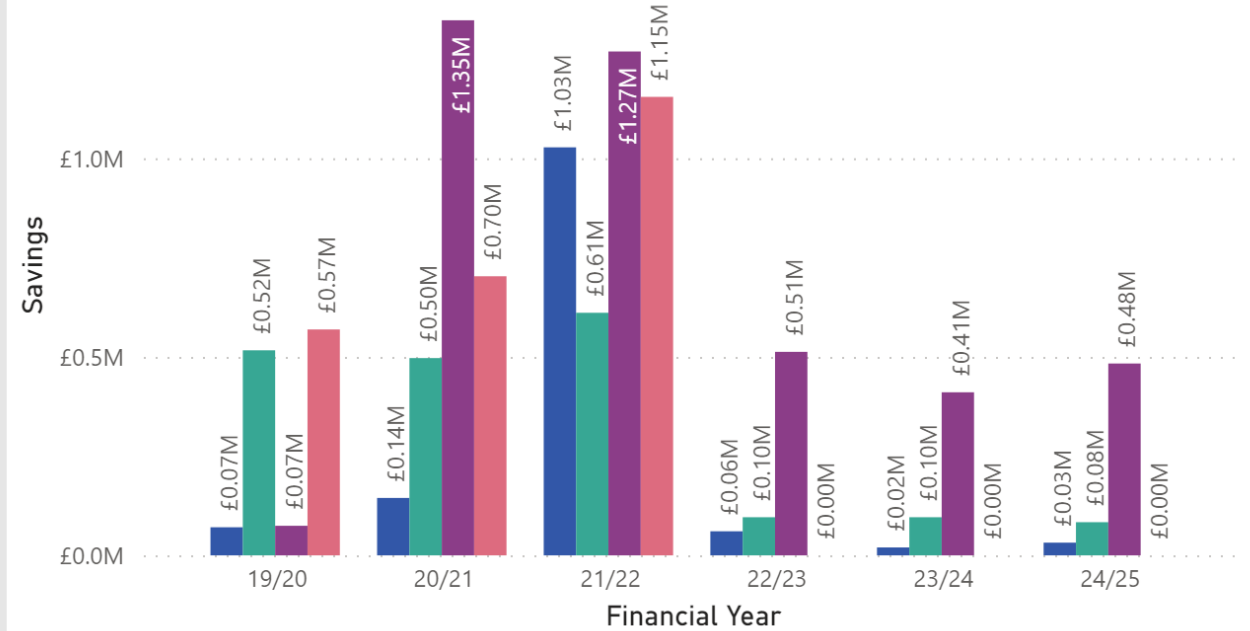
Financial Year	Expected	Delivered	Savings Difference
⊞ 19/20	£4,759,983	£1,230,678	-£3,529,305
⊞ 20/21	£9,083,338	£2,692,297	-£6,391,041
⊞ 21/22	£9,092,244	£4,062,895	-£5,029,349
⊞ 22/23	£9,172,995	£669,214	-£8,503,781
⊞ 23/24	£9,184,338	£526,634	-£8,657,704
⊞ 24/25	£4,790,530	£598,692	-£4,191,838
Total	**£46,083,429**	**£9,780,411**	**-£36,303,018**

Contracts

199
Live Contracts

Contracts by Directorate

- CF&C 96
- PH 31
- E&I 29
- DAS 22
- WCF 20
- WLEP 1

Name	Annual Value	Lifetime Value	Start Date	End Date
PREVENTION AND EARLY INTERVENTION SERVICE FOR CHILDREN, YOUNG PEOPLE AGED 0-19 AND THEIR FAMILIES	£9,300,000	£60,000,000	Wednesday, April 01, 2020	Monday, March 31, 2025
BROMSGROVE SCHOOLS PFI	£9,000,000	£110,000,000	Tuesday, December 20, 2005	Saturday, December 20, 2036
Off Payroll Workers	£8,500,000	£17,000,000	Tuesday, May 01, 2018	Tuesday, May 31, 2022
WH&CT: Integrated sexual health	£3,950,260	£21,793,280	Saturday, October 01,	Friday, March 31, 2023

Contracts Starting and Annual Value by Year

- Contracts Starting
- Annual Value

Contracts Starting (left axis): 80, 60, 40, 20, 0
Annual Value (right axis): £10M, £5M, £0M

Year	Contracts Starting	Annual Value
2005/06	1	£9.0M
2008/09	1	
2012/13	2	
2013/14	2	
2014/15	1	
2015/16	3	£1.5M
2016/17	13	£5.8M
2017/18	6	£2.9M
2018/19	24	£9.8M
2019/20	41	£2.1M
2020/21	30	£10.0M
2021/22	75	£4.0M
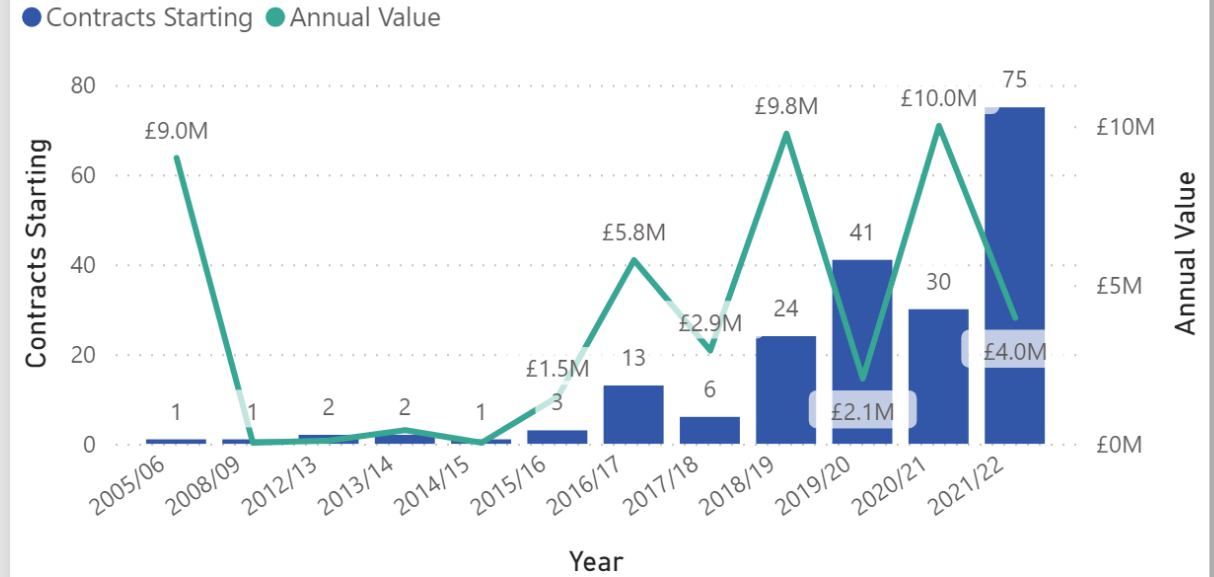
Contracts Ending and Annual Value by Year

- Contracts Ending
- Annual Value

Contracts Ending (left axis): 80, 60, 40, 20, 0
Annual Value (right axis): £20M, £15M, £10M, £5M, £0M

Year	Contracts Ending	Annual Value
2021/22	72	£6.9M
2022/23	77	£16.1M
2023/24	26	£1.5M
2024/25	12	£1.3M
2025/26	7	
2026/27	1	
2036/37	1	£9.0M
2038/39	2	
2049/50	1	

Finances

Select Period

2021/22 ▾

Supplier Name

All ▾

Supplier Code

All ▾

Supplier spend

Supplier Name	Commercial Spend
⊞ **RINGWAY INFRASTRUCTURE SERVICES**	**£41,790,985**
⊞ **MERCIA WASTE**	**£37,855,449**
⊞ **ALUN GRIFFITHS (CONTRACTORS) LTD**	**£26,502,672**
⊞ **HRFDS & WORCS HEALTH & CARE NHS**	**£16,332,379**
⊞ **BROMSGROVE SCHOOLS SPV LTD**	**£8,374,569**
⊞ **MATRIX SCM LIMITED**	**£8,242,409**
⊞ **NHS HEREFORDSHIRE AND WORCESTERSHIRE CCG**	**£7,344,626**
Total	**£529,334,015**

Financial Information

Supplier Name	Change	Credit Score	WCC Rating	Beauhurst
21ST CENTURY PASSENGER SYSTEMS LTD	Same	Caution	Medium Risk	🔗
3A CARE (BROMSGROVE) LTD	Same	Normal	High Risk	🔗
4D CARE LTD	Same	Normal	High Risk	🔗
5 STAR TAXIS (REDDITCH) LTD	Same	Caution	Low Risk	🔗
A & M BEWDLEY CARE SERVICES LTD	Same	Caution	High Risk	🔗
A P GARBETT CONTRACTOR	Same	No Score	Low Risk	🔗
A SPORTING CHANCE	Same	Normal	Low Risk	🔗
A1 TAXIS REDDITCH LIMITED	Improvement	Caution	Low Risk	🔗
A2B TAXIS & CONTRACTS (REDDITCH) LTD	Same	Secure	Low Risk	🔗

Contract Spend

Contract	Supplier	Spend to Value Difference	%	Contract Spend Prev. FY	Annual Value (In-Tend)	Contract Value	Start Date	End Date
" One Worcestershire" Creative Agency Support - DRPG	DRP (UK) LTD T/A DRP GROUP	£17,177	43.68%	£56,503.75	£39,327	£58,990	Monday, February 10, 2020	Thursday, March 31, 2022
A Worcestershire Domestic Abuse Advice and Support Service	West Mercia Women's Aid	£7,595	1.82%	£424,595.05	£417,000	£1,980,750	Saturday, July 01, 2017	Thursday, March 31, 2022
ActivId 4TRESS AAA Server for Remote Access	Phoenix Software	£0	0.00%	£21,326.76	£21,327	£21,327	Wednesday, March 31, 2021	Thursday, March 31, 2022
Actuarial, Benefit and Governance Consultancy Services	Mercer Limited	-£83,113	-41.56%	£116,886.80	£200,000	£700,000	Saturday, October 31, 2020	Tuesday, October 31, 2023
Additional drug treatment crime and harm reduction activity in 2021/22 – Universal funding component	Willowdene Rehabilitation Ltd	-£51,685	-50.00%	£51,684.50	£103,369	£103,369	Tuesday, June 01, 2021	Tuesday, May 31, 2022
Adobe VIP Renewal	Bytes Software Services	£1,878	20.48%	£11,051.12	£9,173	£9,173	Sunday,	Sunday, November

P-Cards

Select Period

Multiple selections ⌄

Merchant Name

All ⌄

Cost Centre Code

All ⌄

Net Amount by Band

Band	Net Amount
Over £5,000	£0.03M
£2,500 to £5,000	£0.10M
£1,000 to £2,500	£0.09M
£500 to £1,000	£0.11M
£100 to £500	£0.90M
£50 to £100	£0.20M
£10 to £50	£0.18M
<£10	-£0.01M
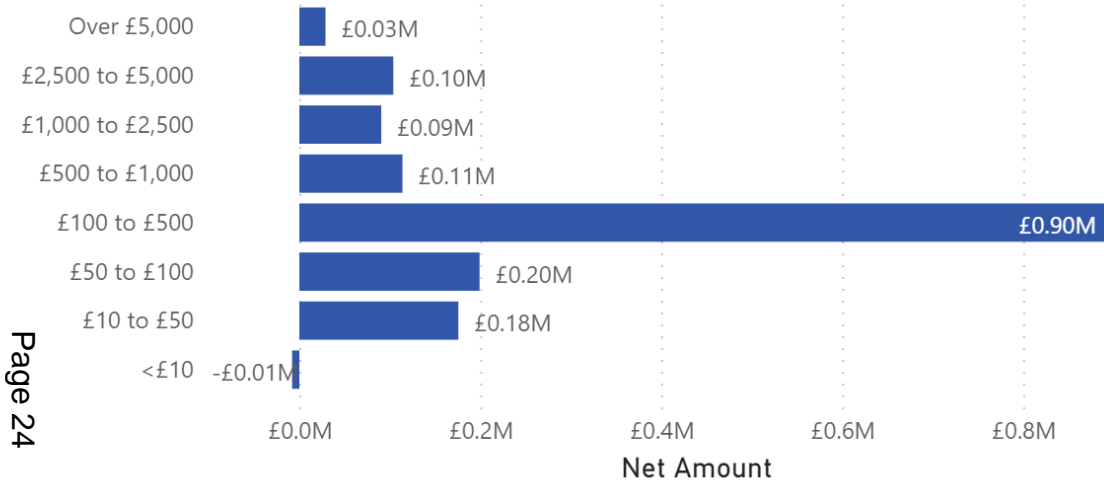
Net Amount by Month and Financial Year

Financial Year ● 2019/20 ● 2020/21 ● 2021/22

2019/20: Apr £91K, May £99K, Jun £80K, Jul £104K, Aug £81K, Sep £83K, Oct £57K, Nov £38K, Dec £32K, Jan £50K, Feb £52K, Mar £48K

2020/21: Apr £28K, May £25K, Jun £37K, Jul £35K, Aug £44K, Sep £42K, Oct £35K, Nov £29K, Dec £35K, Jan £47K, Feb £51K, Mar £65K

2021/22: Apr £49K, May £45K, Jun £38K, Jul £53K, Aug £49K, Sep £36K, Oct £45K
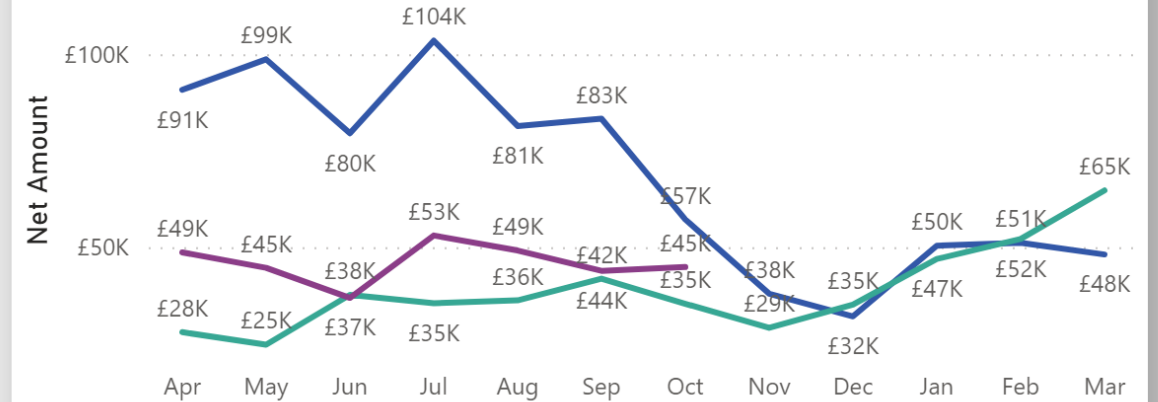
Merchant Name	Net Amount
⊞ Banner UK	£218,168
⊞ Amazon	£166,550
⊞ DVLA Vehicle Tax	£88,754
⊞ Argos	£47,145
⊞ Tesco	£37,207
⊞ Asda	£26,948
⊞ Morrisons	£26,607
⊞ OFSTED INTERNET	£24,116
⊞ PAYPAL	£22,063
⊞ ZOOM.GBP	£21,517
Total	**£1,602,390**

Description	Net Amount
⊞ STATIONERY/OFFICE SUPPLIES/PRINTING & WRITING PAP.	£242,252
⊞ MISCELLANEOUS AND SPECIALTY RETAIL STORES	£141,343
⊞ GROCERY STORES, SUPERMARKETS	£133,684
⊞ GOVERNMENT SERVICES-NOT ELSEWHERE CLASSIFIED	£89,095
⊞ BUSINESS SERVICES-NOT ELSEWHERE CLASSIFIED	£79,933
⊞ TAX PAYMENTS	£66,972
⊞ DISCOUNT STORES	£54,522
⊞ DIRECT MARKETING-OTHER DIRECT MARKETERS/NOT ELSEW.	£48,299
⊞ COMPUTER SOFTWARE STORES	£36,132
⊞ HOUSEHOLD APPLIANCE STORES	£35,389
Total	**£1,602,390**

Detail

Select Period	Directorate	Pillar
All	All	All

Nominal Description	Nominal Code	Cost Centre Description	Cost Centre Code	Revenue/Capital
All	All	All	All	All

Supplier Name	Supplier Code	Category – LEVEL 1	Item Code Desc – LEVEL 3
All	All	All	All

Directorate	Pillar	Category	Item Code	Item Code Desc	Supplier Name	Cost Centre	Nominal	Sub-Nominal	Total Net Amount	Payment
E&I					NAWDO	Waste Mgt	Subscriptions	Default I&E Sub Nominal	£150	Friday, A
People - Adults	People	Adult's Social Care	321014	Social Care - Domiciliary Care	NATIONWIDE CARE SERVICES LTD - WORCESTER	Block Zone Contract LD	Dom Care Indep Prov	Default I&E Sub Nominal	£58	Monday,
People - Adults	People	Adult's Social Care	321014	Social Care - Domiciliary Care	ECLIPSE HOMECARE	Block Zone Contract MH	Dom Care Indep Prov	Default I&E Sub Nominal	£1,971	Monday,
People - Adults	People	Adult's Social Care	321014	Social Care - Domiciliary Care	NATIONWIDE CARE SERVICES LTD - WORCESTER	Block Zone Contract MH	Dom Care Indep Prov	Default I&E Sub Nominal	£62	Monday,
People - Adults	People	Adult's Social Care	321014	Social Care - Domiciliary Care	A & M BEWDLEY CARE SERVICES LTD	Block Zone Contract OP	Dom Care Indep Prov	Default I&E Sub Nominal	£1,294	Monday,
Total									£2,734,711,672	

Order Reference	System Reference	System	Payment Date	Total Net Amount
	10000	Framework-i	Monday, April 17, 2017	£1,278
	100000	Framework-i	Friday, June 30, 2017	£66
	100001	Framework-i	Friday, June 30, 2017	£41
	100002	Framework-i	Friday, June 30, 2017	£199
	100003	Framework-i	Friday, June 30, 2017	£43
	100004	Framework-i	Friday, June 30, 2017	£256
	100005	Framework-i	Friday, June 30, 2017	£64
	100006	Framework-i	Friday, June 30, 2017	£25
	100007	Framework-i	Friday, June 30, 2017	£135
	100008	Framework-i	Friday, June 30, 2017	£64
Total				£2,734,711,672

Name	Annual Value	Lifetime Value	Start Date	End Date
SLR4 Design and Build - Stage 1b & 2	£11,500,000	£55,000,000	Monday, January 01, 2018	Friday, December 31, 2021
Integrated Prevention & Early Intervention service for 0-19	£9,500,000	£18,792,520	Saturday, October 01, 2016	Tuesday, March 31, 2020
PREVENTION AND EARLY INTERVENTION SERVICE FOR CHILDREN, YOUNG PEOPLE AGED 0-19 AND THEIR FAMILIES	£9,300,000	£60,000,000	Wednesday, April 01, 2020	Monday, March 31, 2025
BROMSGROVE SCHOOLS PFI	£9,000,000	£110,000,000	Tuesday,	Saturday,

Purchase Orders

Supplier Name	Order Reference	Cost Centre Description
All	All	All

Order Reference	Supplier Name	Cost Centre Description	Description	Payment Date	Order Value	Total Net Amount
CFCF00000001	SUPREME LINGUISTIC SERVICES LTD T/A	Safeguarding South T4	translation fees	Wednesday, January 29, 2020	£75.50	£32.0
CFCF00000002	SUPREME LINGUISTIC SERVICES LTD T/A	Safeguarding NE T5	Translation MK 200324817	Friday, November 01, 2019	£25.38	£20.2
CFCF00000004	SUPREME LINGUISTIC SERVICES LTD T/A	Safeguarding NE T3	Translation KI 200319636	Friday, November 15, 2019	£87.95	£19.5
CFCF00000005	B&H CARS (WORCESTER) LTD	Safeguarding NE T5	Taxi IGH 200314007	Friday, November 01, 2019	£24.00	£24.0
CFCF00000006	SUPREME LINGUISTIC SERVICES LTD T/A	Safeguarding NE T5	Translation EMY 200060274	Friday, November 01, 2019	£29.60	£29.6
CFCF00000007	SANDHILLS DAY NURSERY	Safeguarding NE T5	Child care He	Friday, November 01, 2019	£460.57	£460.5
CFCF00000008	B&H CARS (WORCESTER) LTD	Safeguarding NE T5	Taxi JB to court for SA	Friday, November 01, 2019	£40.00	£40.0
CFCF00000009	B&H CARS (WORCESTER) LTD	Safeguarding NE T5	Cranham school taxi	Friday, November 01, 2019	£120.00	£100.0
CFCF00000010	B&H CARS (WORCESTER) LTD	Safeguarding NE T5	Supervised contact taxi	Friday, November 01, 2019	£120.00	£100.0
CFCF00000011	B&H CARS (WORCESTER) LTD	Safeguarding NE T5	Taxi contact	Friday, November 01, 2019	£96.00	£80.0
CFCF00000012	B&H CARS (WORCESTER) LTD	Safeguarding NE T5	Jamie M taxi	Tuesday, December 03, 2019	£1,400.00	£1,400.0
CFCF00000013	B&H CARS (WORCESTER) LTD	Safeguarding NE T5	MS's taxi	Tuesday, December 03, 2019	£70.00	£70.0
CFCF00000015	P & P CENTRAL TAXIS	Safeguarding NW T3	Taxi Services for North West Team 3	Friday, November 15, 2019	£1,726.00	£70.0
CFCF00000016	P & P CENTRAL TAXIS	Safeguarding NW T3	Taxi Services for North West Team 3	Friday, November 15, 2019	£1,726.00	£126.0
CFCF00000016	P & P CENTRAL TAXIS	Safeguarding NW T3	Taxi Services for North West Team 3	Friday, November 15, 2019	£1,726.00	£113.C

This page is intentionally left blank

worcestershire
c o u n t y c o u n c i l

CORPORATE AND COMMUNITIES OVERVIEW AND SCRUTINY PANEL 14 FEBRUARY 2022

CORPORATE PROCUREMENT STRATEGY OVERVIEW

Summary

1. The Corporate and Communities Overview and Scrutiny Panel has requested sight of the latest draft of the Corporate Procurement Strategy for review.

2. The Panel has requested an overview of the pertinent content of the Corporate Procurement Strategy and a summary of the key points to consider.

Overview

3. The draft Corporate Procurement Strategy is attached at Appendix 1. The majority of the content has been populated however the Strategy will not be finalised until after the publication of the Corporate Plan. The Strategy has been refreshed in light of the restructure of the commercial service and following the impact of the COVID pandemic. A summary of the content is provided below, most of which is included within the Strategy document itself under the relevant sections.

4. Worcestershire County Council's (the Council) Procurement Vision is:

"We strive to be a procurement partner of choice, delivering an end-to-end strategic procurement service, tailored to our stakeholders' individual needs and based on category centric support that collectively drives quality, innovation and optimised commercial outcomes throughout the whole purchasing lifecycle, for the benefit of our customers, residents and visitors to Worcestershire"

Introduction to the Strategy

5. The Council currently spends £633m per annum with external organisations for goods, services and works to support the delivery of the Council's priorities. The Council has a responsibility to ensure these public funds are spent wisely and effectively, to meet the strategic intent of the organisation and the needs of internal stakeholders, residents/communities, partners, and visitors to Worcestershire (the Council's four core stakeholder groups).

6. The new Corporate Procurement Strategy defines how the Council will go about meeting the needs of these four key groups, as well as how the national procurement strategy for Local Government aims and objectives are reflected in the Council's approach. It also outlines how the Council will benchmark performance to ensure consistency and effectiveness, as well as progress over the coming months and years as the new operating model is embedded. To that end, the Council has adopted the three key themes from the National Procurement Strategy, embedding these alongside the corporate priorities to form the Council's Procurement Outcome Framework, ensuring these are integral to the operating model. **Please note, with the refresh of the corporate priorities and plan being finalised presently, the framework will require updating and any additional requirements captured prior to publication.**

Procurement Outcomes Framework

Demonstrate Effective Leadership	Behave Commercially	Achieve Community Benefits and Social Value
o Engaging with Members and Senior Leaders o Working strategically with Partners o Engaging with Strategic Suppliers	o Creating commercial opportunities o Managing Contracts and Relationships o Managing Strategic Risk	o Obtaining Social Value o Engage with SMEs and Micro-Businesses o Engage and enable voluntary, community and social enterprise

Open for Business	Children and Families	The Environment	Health and Wellbeing

Corporate Priorities

7. The Strategy is intended to give the Council a framework to work within to ensure that the best possible outcomes are delivered for every pound spent with the Council's suppliers and providers.

8. The procurement of goods, works and services has a huge impact on the success of any organisation, but never more so for the public sector than now, as it emerges from the COVID-19 pandemic, with a clear expectation and desire to lead the local recovery and to tackle the financial challenges head on.

9. There are several Government Acts that place responsibilities on the Council in relation to commissioning, procurement and contract management, and whilst changes to the Public Contract Regulations are imminent, the principles of the Acts will remain at the centre of the Council's approach and practices.

10. There are priorities that the Council must address ranging from public procurement policy and legislation, working with partners in the county, through to the needs of communities and individuals.

11. The Strategy sets the best practice and high standards that the Council will work to and how it will maximise the benefits from its spend. The Strategy highlights the areas of focus over the next three years and The National Procurement Strategy for Local Government will be used to measure progress and success.

Outcomes and Values

12. The Council's Procurement Strategy has evolved from previous iterations to provide a clear set of values, outcomes and operating principles that we will endeavour to embed as part of the new category management delivery model.

13. The Outcomes are focused around key thematic operating principles of:

- Delivering Excellent Customer Service
- Delivering Modernisation and Reform
- Delivering Financial Benefits and Return of Investments
- Supporting Level Up and Sustainability

14. There are 10 core values which will support the Council in defining a new and more effective culture both within commercial and across the organisation:

- Strive to be a partner of choice
- Consistent high performance
- Customer focused
- Ambitious, risk taking and innovative
- Commercially minded
- Environmentally aware and focused
- Engaged, motivated and enthusiastic teams
- Valuing our people
- Honest, open and transparent
- Focused on continuous improvement

(Further detail on each of these areas is contained within the strategy)

Success Measures

15. The new Corporate Procurement Strategy has defined a series of clear success measures against which the Council will continually assess itself to determine if it is achieving them and what more needs to be done to help achieve the aim. These aims and objectives align with the core principles defined with the Local Government Association National Procurement Strategy, and the Council has recently undertaken an assessment of where it is today, and where it wants to be by the end of the three-year Strategy. Full details of all of these objectives are included within the document, and the key themes are captured below.

Demonstrating Effective Leadership

16. Councillors set the Council vision and strategic priorities, and senior leaders provide the direction on how these will be delivered. Many of the Council's services depend upon suppliers and providers fulfilling their contractual obligations. It is vital that the commercial arrangements for contract delivery are robust. Having Councillors and senior leaders fully engaged with commercial matters will lead to improved service delivery and better outcomes for the local community.

17. The Directorate will ensure that Councillors and senior leaders are supported through ongoing commercial training, good advice and insight, and up to date reporting arrangements.

18. Working Strategically with Partners - Undertaking a team approach makes best use of limited resources and will lead to innovative solutions and better results. Wherever possible, the Council will strive to design and implement solutions with the county- based police, fire and health partners, our district councils, and the local voluntary and community-based organisations.

19. Engaging with Strategic Suppliers - Promoting proactive dialogue with the Council's strategic suppliers will help to reduce supply risk, harness innovation by using their expertise, and provide opportunities for improved performance and reduced cost.

Behave Commercially

20. Creating Commercial Opportunities - As financial support from central government reduces, the Council is required to look at other means of reducing funding deficits to ensure services to the community are not affected. Therefore, frequent service reviews will be undertaken to assess if they are being delivered in the most effective way, enhance engagement with the market to encourage innovation, and new ideas and solutions for service delivery. The Council will also look at new revenue opportunities, seeking to maximise return on investment on assets and considering new capital acquisitions that can create new wealth.

21. Managing Contracts and Relationships - Poor supplier performance or commercial failure can seriously damage the Council's reputation and ability to deliver effective services and support to local communities. It is, therefore, vital that there is effective management and control of all contracts from their implementation through to closure. The Council will ensure contract and supplier management policies, procedures, and systems, together with performance and risk management provide effective support to the successful and timely delivery of outcomes and control of costs.

22. Managing Strategic Risk - The occurrence of any risk, particularly when it could be foreseen, can have a devastating impact on the Council's reputation, the community served, the quality of the services provided, and the Council's financial viability. Risk is inherent in procurement decisions but the Directorate will take actions and implement policies designed to reduce the probability of a perceived risk occurring and minimising the detrimental effects that may occur should it materialise. The Council will also consider and maintain risk appetite to reflect changing environmental factors and alter the level, nature, and balance of risks with which the Council is willing to operate to deliver public services.

Achieve Community Benefits and Social Value

23.   Obtaining Social Value - Social value is about improving economic, social, and environmental wellbeing from Council contracts over and above the delivery of the services directly required at no additional cost. Seeking social value from procurement spend provides an opportunity to maximise the value obtained from the resultant contracts.

26.   Engaging Local Small Medium Enterprises (SMEs) and Micro-businesses – In Worcestershire SMEs and Micro-businesses play a major role in creating jobs, fostering economic growth, providing social stability, are a source of innovation and contribute to the development of the private sector. The Council will take a proactive approach to these organisations and ensure they are considered in its commissioning and procurement strategies and will continue to encourage the establishment and growth of SMEs and Micro-businesses in the county.

27.   Enabling Voluntary, Community and Social Enterprise (VCSE) Engagement - VCSE organisations share common characteristics in the social, environmental, and cultural objectives that they pursue, and the reinvestment of surpluses for those objectives. The Council will foster good relations with the VCSE sector and seek new ways for delivering health and social care services.

Delivery of the Strategy – Category Management

28. The Council has recently implemented a Category Management Structure to drive the delivery of commercial aspirations and strategy. Financial pressures on the Council emphasise the importance that commercial activities can make real financial savings. By deploying a category management approach and providing an enhanced combination of support and challenge to commissioning practitioners, the Council will:

- Lead the way in seeking out opportunities for financial savings and ensuring that these become real cost reductions
- Undertake research and engage with the market to both understand and influence the existing and future demand for services
- Exploit opportunities to make cost savings through investing and enhancing category, supplier, and contract management activities; pursuing partnering and collaborative opportunities and developing a skilled commercial team to deliver the Council's requirements.

29. Through a category management approach, the Council will:

- Develop effective leadership on spend
- Develop and manage the supply market
- Design new models of service delivery
- Maximise value through spend aggregation
- Standardise specification to increase market competitiveness
- Understand the cost drivers that determine the costs incurred
- Embrace new technology and systems to improve and automate delivery.

Category Management Model

30. The Council's category management model is outlined below. It moves the procurement team's focus away from the classic "tender and contract" phases, and expands this to cover a further 6 steps, ranging from Make vs Buy, Market Shaping, Strategy, and Supplier Engagement, and through to Contract Management, Supplier Relationship Management and Risk Management. These steps are the "value add" steps to the category cycle, and our commercial team will undergo upskilling over the course of the next three years through the adoption of the CCS commercial college.
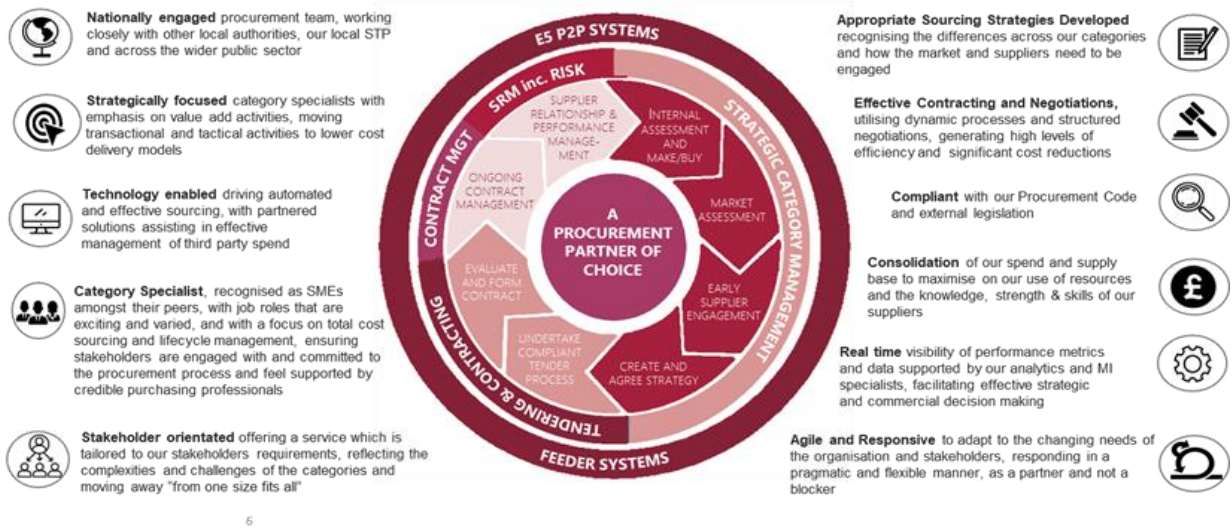
Systems and Technology

31. The Council has undertaken a review of the systems and technology that underpin the procurement function. Whilst challenges remain in respect of the wider finance system (e5), steps have been taken towards developing the existing e-tendering solution, and in the creation of a spend analytics tool within power BI.

Power BI Analytics in Commercial

32. Below are examples of the Power BI dashboard functionality and data available to inform the development of the Commercial team's category strategies. Further work is required to develop the tool, particularly in respect of data integrations, tracking of supply chain emissions, social value etc, however this is an excellent basis on which to continue building and developing the real time data at the Council's disposal.
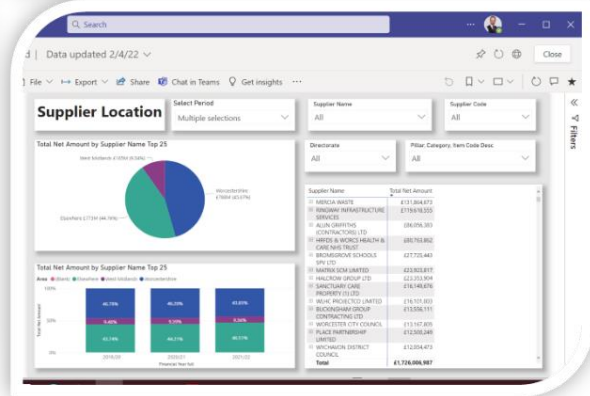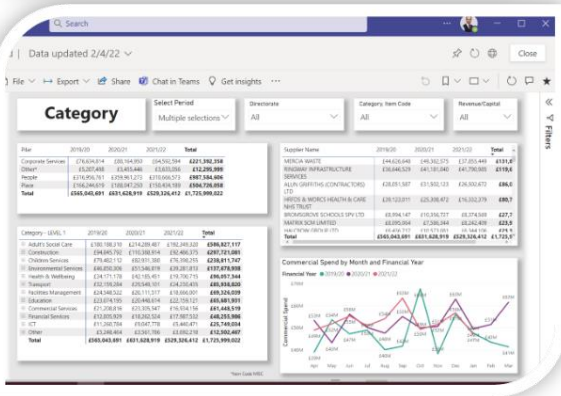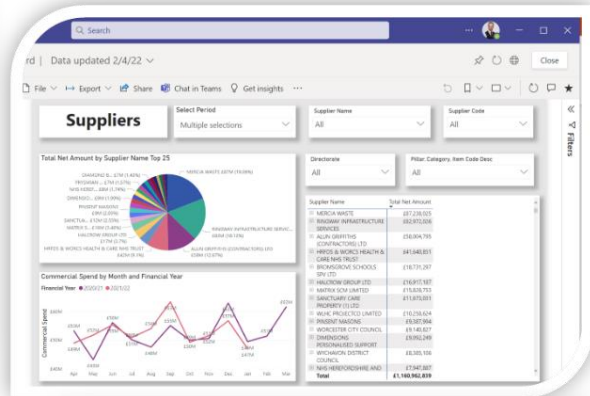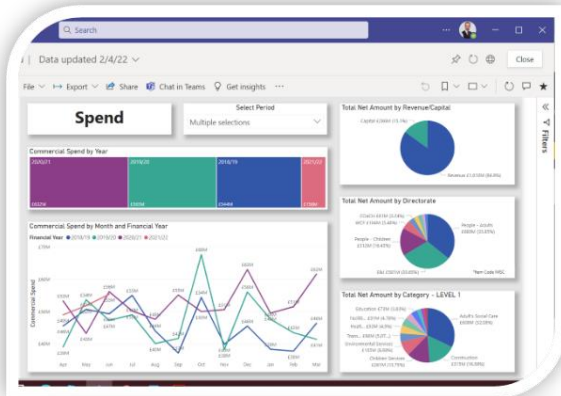
Legal, Financial, and HR Implications

33. There are no direct legal implications as a result of this Strategy, though the legislative framework for procurement is likely to change significantly during the course of the next 2 years.

34. Financial implications will be captured during the course of the implementation and execution of the Strategy. These may change frequently depending on the approach adopted, any changing corporate and political priorities and the level of investment required to deliver. In any event, requests for financial support to aid delivery of the Strategy will be subject to separate approval.

35. There are no direct Human Resource implications, however it should be noted that the success of the Strategy is dependent upon being able to secure the right people in to post within the new structure. This continues to be challenging in the present market.

Equality and Diversity Implications

36. No implications.

Purpose of the Meeting

37. The Corporate and Communities Overview and Scrutiny Panel is asked to:

- Consider the information provided

- Determine any comments the Panel would wish to make to the Cabinet Members with Responsibility for Corporate Services and Communication and/or Communities
- Agree whether any further Scrutiny is required at this stage.

Supporting Information

Appendix 1 – Draft Corporate Procurement Strategy

Contact Points

Emma James / Jo Weston, Overview and Scrutiny Officers
Tel: 01905 844965/844964 Email: scrutiny@worcestershire.gov.uk

Background Papers

In the opinion of the proper officer (in this case the Assistant Director for Legal and Governance) the following are the background papers relating to the subject matter of this report:
- Agendas and Minutes of the Corporate and Communities Overview and Scrutiny Panel available on 3 September 2019.

All agendas and minutes are available on the website here weblink to agendas and minutes

Corporate Procurement Strategy

2022 - 2025

worcestershire
county council
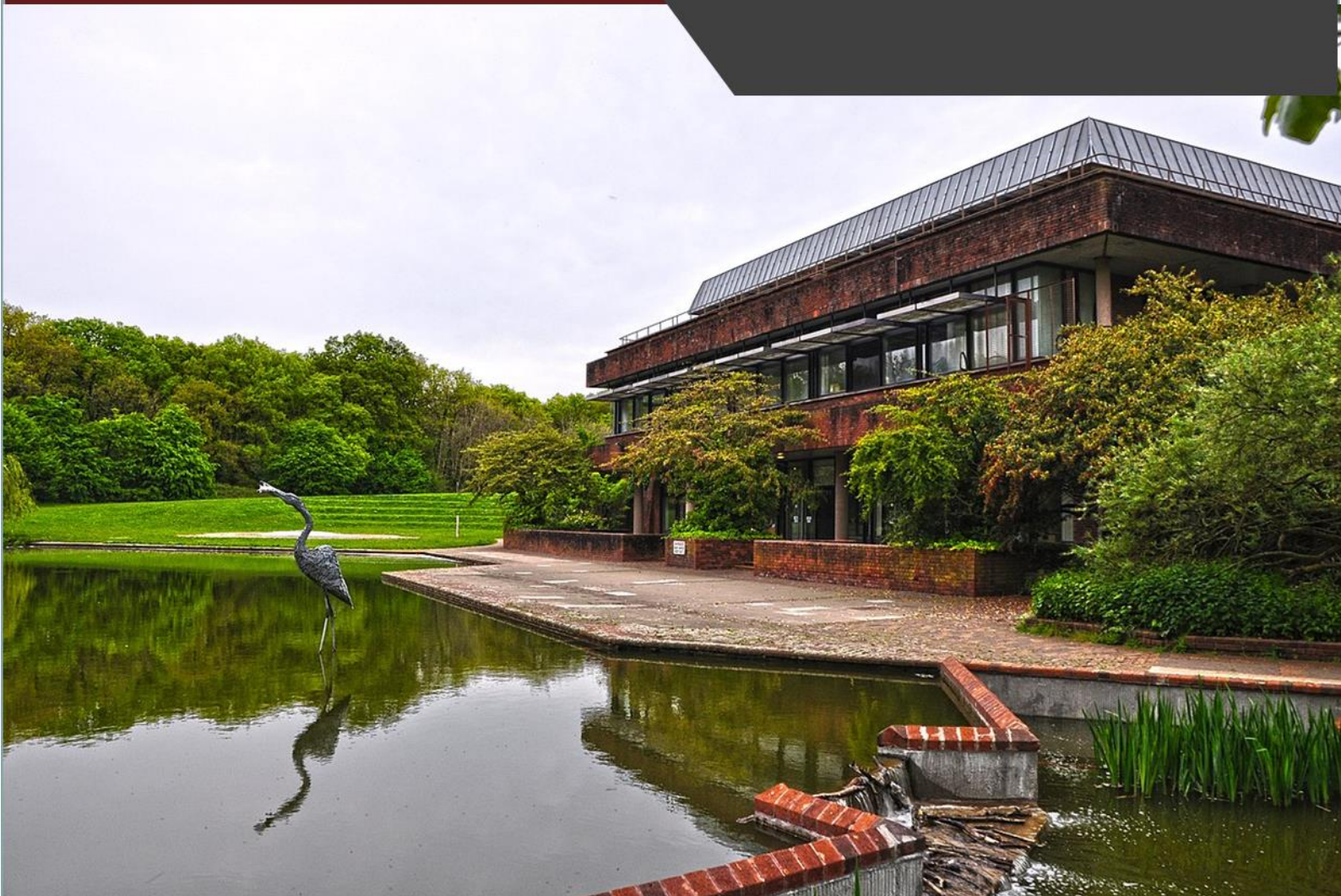
1.0 Introduction

1.1 Purpose

Worcestershire County Council currently spends £633M per annum with external organisations for goods, services and works to support the delivery of the Council's priorities. We have a responsibility to ensure these public funds are spent wisely and effectively, to meet the strategic intent of the organisation and the needs of our internal stakeholders, residents/communities, partners, and visitors to Worcestershire (our four core stakeholder groups).

This strategy defines how we will go about meeting the needs of these four key groups, as well as how the national procurement strategy for Local Government aims and objectives are reflected in our approach. It outlines how we will benchmark our performance to ensure consistency and effectiveness, as well as our progress over the coming months and years as we embed our new operating model. To that end, we have adopted the three key themes from the National Procurement Strategy, embedding these alongside our corporate priorities to form our Procurement Outcome Framework, ensuring these are integral to our operating model. These are:
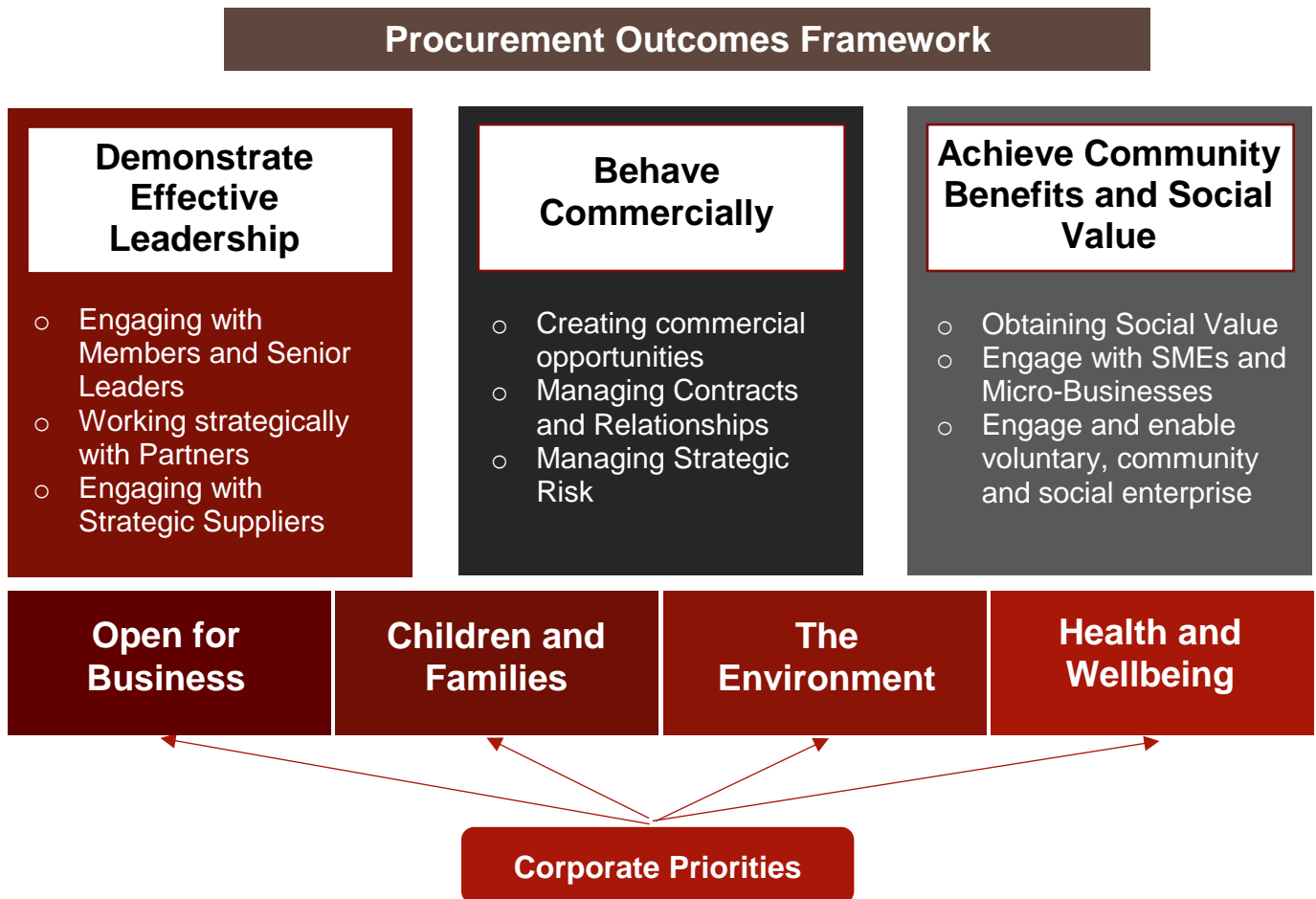
This strategy gives the Council a framework to work within to ensure that we deliver the best possible outcomes for every pound spent with our suppliers and providers.

The procurement of goods, works and services has a huge impact on the success of any organisation, but never more so for the public sector than now, as we emerge from the COVID-19 pandemic, with a clear expectation and desire to lead the local recovery and to tackle the financial challenges head on.

There are several Government Acts that place responsibilities on the Council in relation to commissioning, procurement and contract management, and whilst changes to the Public Contract Regulations are imminent, the principles of the Acts will remain at the center of our approach and practices.

There are priorities that the Council must address ranging from public procurement policy and legislation, working with partners in the county, through to the needs of communities and individuals.

This strategy sets the best practice and high standards that the Council will work to and how it will maximise the benefits from it spend. The strategy highlights the areas of focus over the next three years and The National Procurement Strategy for Local Government will be used to measure progress and success.

1.2   Our Procurement Vision

> *"We strive to be a procurement partner of choice, delivering an end-to-end strategic procurement service, tailored to our stakeholders' individual needs and based on category centric support that collectively drives quality, innovation and optimised commercial outcomes throughout the whole purchasing lifecycle, for the benefit of our customers, residents and visitors to Worcestershire"*

Spending through contracts with our supply base delivers essential front line public services and builds and maintains important public assets such as schools, highways, and libraries. We have seen this spending increase because of the UK Government's response to the Covid-19 pandemic, with our suppliers and providers playing a central role in maintaining essential service delivery and supplying critical equipment and supplies.

Our procurement mission is to ensure best value for our citizens through our spend with third parties. This requires our Commercial Team to be at the heart of commercial decision making and playing a vital role in improving our commercial practices and capability, working with and across the other professions such as Social Care, Education, Infrastructure, Legal, Finance, Communications, IT, Risk, and Human Resources.

The scale and complexity of our work requires a best-in-class commercial function, and this strategy sets out the priorities we will focus on to achieve our vision of being "a procurement partner of choice".

Being a best-in-class commercial function will mean focusing on the following:

1.2.1 *Customer Service*

- **Focus resources on where we add most value,** minimising transactional and tactical activities by delivering them in the most efficient way.

- **Tailor our service around stakeholder requirements**, reflecting the complexities and challenges of the different spend areas, and recognising that "one size doesn't fit all".

- **Are agile and responsive** to adapt to the changing needs of the organisation and stakeholders, responding in a practical and flexible manner, as a business partner.

1.2.2 *Modernisation and Reform*

- **Grow our team into category specialists,** to be recognised as subject matter experts amongst their peers. With job roles that are exciting, varied, and having a focus on whole life cost sourcing and lifecycle management, whilst ensuring stakeholders are engaged with and committed to the procurement process and feel supported by credible purchasing professionals.

- **Encourage our team to pursue continuous professional development** by engaging with central government, other local government bodies and the Chartered Institute of Purchasing & Supply to make best use of their skills and knowledge.

- **Develop strategic sourcing solutions,** recognising the differences across our categories and how the market and suppliers need to be engaged.

- **Leverage our digital environment** to help drive efficient and effective sourcing.

- **Pursue collaborative and partnered solutions** by working closely with other local authorities, and the wider public, private, and voluntary, community and social enterprise sector.

- **Work within the legislation effectively** but not encumbered by it to deliver the best possible outcomes for our stakeholders.

1.2.3 *Financial Benefits and Return on Investment*

- **Consolidate our spend and supply base** to maximise on our use of resources and the knowledge, strength & skills of our suppliers and providers.

- **Deploy effective contracting and negotiations,** utilising innovative, dynamic, and lean methods, generating high levels of efficiency and significant cost reductions.

- **Make evidence based strategic and commercial decisions** derived from real time visibility of performance metrics and data supported by our analytics and MI specialists.

1.2.4 *Level Up and Sustainability*

- **Create opportunities for employment and economic growth** across the County by leveraging our procurement spend to drive social value.

- **Contract with a diverse set of suppliers**, including SMEs and voluntary, community and social enterprises to deliver better performance.

- **Reduce the Council's direct negative impact on the environment** by embedding carbon targets where appropriate in contracts.

- **Increase efforts to identify and eliminate modern slavery** from our supply chain.

2.0 Our Values

2.1 STRIVE TO BE A PARTNER OF CHOICE

- A service that our customers want to be engaged with. Providing the right level of support and engagement and where they can see real, tangible value from what we do
- Providing a service that strives to build on collaboration and co-operation with our customers, understanding their requirements and needs and making those our own.
- Having a feeling of ownership and equity in delivering our corporate objectives.

2.2 CONSISTENT HIGH PERFORMANCE

- A service that is class leading, adopts industry standard models and methodologies that are proven to deliver the best possible results
- Delivering a single, consistent level of high performance, with clear roles and responsibilities by adopting the category management operating model, and where our Customers know what they can expect
- Providing a service that is light-touch and non-bureaucratic by adopting a pragmatic approach, without impacting on our ability to deliver an effective and well governed service.

2.3 CUSTOMER FOCUSED

- Being "Customer-Centric by Design", ensuring our objectives and outcomes, resources, time, and effort all centre on delivering benefits to those that use our services, our customers, residents, and businesses.

2.4 AMBITIOUS, RISK TAKING AND INNOVATIVE

- Recognising that to succeed, risks are necessary
- Taking risks provides an opportunity to learn
- Accepting that risk is a cost of opportunity and innovation.

2.5 COMMERCIALLY MINDED

- Spending every pound as if it was our own.
- Always asking the key questions:
    - o What is this?
    - o Why do we need this?
    - o Must we have this?
    - o What would happen if we got rid of this?

2.6 ENVIRONMENTALY FOCUSED

- Ensuring that the decisions we make are for the long-term benefit of Worcestershire's communities and they consider the impacts on the local and global environment.
- Encouraging responsible environmental, social, and economic performance by our supply and service partners.

2.7 ENGAGED, MOTIVATED AND ENTHUSIASTIC TEAMS

- Ensuring our teams have the right variety in the work they do, and an interest in what they are doing.

- Being encouraged to be proactive, to provide input and direction, and where appropriate, to lead.

2.8 VALUING OUR PEOPLE

- Recognising our individual strengths, skills, and experience, and providing support to our people to allow them to enhance and develop their abilities and expertise
- A culture that rewards our people for their hard work and commitment, as well as showing appreciation and thanks.

2.9 HONEST, OPEN AND TRANSPARENT

- A service that is open, transparent, and can be trusted to keep to our commitments.
- A service that works in the best interests of our Customers and the Authority, without agenda and ensuring decisions are fair, equitable and transparent.

2.10 FOCUSED ON CONTINUOUS IMPROVEMENT

- A service always looking for opportunities to improve and developing a culture that continuously challenges ourselves
- A service that looks to support our customers to deliver improvements through cultivating a commercial mindset, to secure the best possible outcomes
- Providing Customers with the right market insights and intelligence to improve and enhance the services that they deliver.

3.0 Achieving the Objectives of our Procurement Outcomes Framework

3.1 Demonstrate Effective Leadership

3.1.1 Engaging with Members and Senior Leaders

Our councillors set the council vision and strategic priorities, and our senior leaders provide the direction on how these will be delivered. Many of our services depend upon our suppliers and providers fulfilling their contractual obligations. It is vital that the commercial arrangements for contract delivery are robust.

Having our councillors and senior leaders fully engaged with commercial matters will lead to improved service delivery and better outcomes for the local community.

We will ensure that our councillors and senior leaders are supported through ongoing commercial training, good advice and insight, and up to date reporting arrangements.

Success measure:

Metric	Description	Target
Developing	The council is exploring the best approach to leadership engagement in procurement and commercial matters.	Where we are today
Leader	Leadership engagement is delivering better results across all procurement and commercial activity.	Where we want to be

3.1.2 Working Strategically with Partners

Undertaking a team approach makes best use of limited resources and will lead to innovative solutions and better results. Wherever, possible, we will strive to design and implement solutions with our county- based police, fire and health partners, our district councils, and the local voluntary and community-based organisations.

Success Measure:

Metric	Description	Target
Developing	Council acknowledges the business case for a cross council approach to design and implementation of solutions and is seeking to encourage this.	Where we are today
Mature	Designing and implementing solutions as a single team in high value / high risk projects.	Where we want to be

3.1.3 Engaging with Strategic Suppliers

Promoting proactive dialogue with our strategic suppliers will help to reduce supply risk, harness innovation by using their expertise, and provide opportunities for improved performance and reduced cost.

Success Measure:

Metric	Description	Target
Minimum	Firefighting. Ad hoc engagement with important suppliers usually when there is a problem to be resolved.	Where we are today
Mature	Delivering programme of engagement with strategic suppliers at council level.	Where we want to be

3.2   Behave Commercially

3.2.1 Creating Commercial Opportunities

As financial support from central government reduces, we are required to look at other means of reducing funding deficits to ensure our services to the community are not affected. Therefore, we will undertake frequent service reviews to assess if they are being delivered in the most effective way, enhance our engagement with the market to encourage innovation, and new ideas and solutions for service delivery. We will also look at new revenue opportunities, seeking to maximise return on investment on our assets and considering new capital acquisitions that can create new wealth.

Success Measure:

6

Metric	Description	Target
Developing	Some high value/ high profile acquisitions examined for creating commercial opportunities.	Where we are today
Leader	Revenue generation and potential wealth creation is a standard part of all contract review meetings. Procurement staff are encouraged to enhance commercial skills and demonstrate commercial behaviours.	Where we want to be

3.2.2 Managing Contracts and Relationships

Poor supplier performance or commercial failure can seriously damage our reputation and ability to deliver effective services and support to local communities. It is, therefore, vital that we have effective management and control of all contracts from their implementation through to closure. We will ensure our contract and supplier management policies, procedures, and systems, together with performance and risk management provide effective support to the successful and timely delivery of outcomes and control of costs.

Success Measure:

Metric	Description	Target
Developing	Identified the need to change and improve. Basic policies, procedures, and systems in place.	Where we are today
Innovator	Contract and relationship management recognised by the leadership team as being essential to driving ongoing improvement and better service outcomes. Systems, procedures, and staff delivering consistently high results.	Where we want to be

3.2.3 Managing Strategic Risk

The occurrence of any risk, particularly when it could be foreseen, can have a devastating impact on our reputation, the community we serve, the quality of the services provided, and our financial viability. Risk is inherent in procurement decisions but will take actions and implement policies designed to reduce the probability of a perceived risk occurring and minimising the detrimental effects that may occur should it materialise. We will also consider and maintain our risk appetite to reflect changing environmental factors and alter the level, nature, and balance of risks with which we are willing to operate to deliver public services.

Success Measure:

Metric	Description	Target
Mature	Taking a proactive approach to strategic risk management with all vulnerable areas identified and mitigating policies and plans in place.	Where we are today
Innovator	Effective policies and plans in place in all areas, shared with contractors with contingency plans in place and active management of all strategic risks.	Where we want to be

3.3 Achieve Community Benefits and Social Value

3.3.1 Obtaining Social Value

Social value is about improving economic, social, and environmental wellbeing from our contracts over and above the delivery of the services directly required at no additional cost. Seeking social value from our procurement spend provides an opportunity to maximise the value obtained from the resultant contracts.

Success Measure:

Metric	Description	Target
Developing	Compliant but only proactively seeking social value in a few key contracts only.	Where we are today
Innovator	Social value is a core operational metric, integrated into all service areas with regular reporting against targets.	Where we want to be

3.3.2 Engaging Local Small Medium Enterprises (SMEs) and Micro-businesses

In Worcestershire SMEs and Micro-businesses play a major role in creating jobs, fostering economic growth, providing social stability, are a source of innovation and contribute to the development of the private sector. We will take a proactive approach to these organisations and ensure they are considered in our commissioning and procurement strategies, and we will continue to encourage the establishment and growth of SMEs Micro-businesses in the county.

Success Measure:

Metric	Description	Target
Developing	SME organisations are engaged in a few key contracts only.	Where we are today
Innovator	SME engagement is a core operational way of doing business, integrated into all service areas and activities with regular reporting against targets.	Where we want to be

3.3.3 Enabling Voluntary, Community and Social Enterprise (VCSE) Engagement

VCSE organisations share common characteristics in the social, environmental, and cultural objectives that they pursue, and the reinvestment of surpluses for those objectives. We will foster good relations with the VCSE sector and seek new ways for delivering health and social care services.

Success Measure:

Metric	Description	Target
Developing	VCSE organisations are engaged in a few key contracts only.	Where we are today
Innovator	VCSE engagement is a core operational way of doing business, integrated into all service areas and activities with regular reporting against targets	Where we want to be

4.0 Contributing Our Council Priorities

4.1 Open for Business

Worcestershire has one of the fastest growing local economies in the country. Being "Open for Business" remains the key priority for the Council. This is vital if both individuals and businesses are to achieve their full potential and if Worcestershire is going to continue to prosper.

A successful and growing local economy will generate wealth for residents and businesses, and this growth will increase Council income, enabling us to invest more in those areas that our residents and businesses tell us are most important to them.

Through our procurement activities we will contribute to this priority by:

- Engaging with local suppliers, particularly small and medium enterprises, voluntary, community and social enterprise organisations; to keep them updated on procurement related topics and future opportunities.

- Fostering links between local suppliers and the Council's Economic Growth team to help local suppliers maximise their ability to win public sector contracts.

- Include requirements in our major contracts to encourage the sourcing of subcontract opportunities from the local supply market that supports local employment.
- During the life of this strategy, and with the anticipated changes to the procurement legislation, explore opportunities to promote greater levels of expenditure within Worcestershire, either directly or through setting expectations with our larger strategic Partners.

4.2 Children and Families

We are focused on improving outcomes for all children, young people and families in Worcestershire. Our ambition is to see more children and young people achieving their full potential in education and being fully prepared to live happy, healthy, independent and prosperous adult lives.

We will actively encourage young people to prepare for their adult life by focusing on helping them to reach their full potential in education and to progress into employment. We will promote the importance of gaining employment and the positive impact this has on their future health and well-being.

Through our procurement activities we will contribute to this priority by:

- Targeting social value outcomes to provide work opportunities for Care Leavers.

- Encourage suppliers to develop links with our education providers including the university, colleges, and schools to support their future growth and employee requirements, particularly apprenticeships.

- We will invest in a schools' procurement lead, driving improved value for money across the supply chain of our primary (including middle school) and secondary school establishments, and in-turn facilitating the reinvestment of any saving back in to education.

- We will lead on the procurement and management of suppliers delivering school building refurbishment and builds, ensuring they are delivered on time, to budget and attaining the best possible standards.

4.3 The Environment

Protecting the environment is one of the Council's core priorities as the environment is one of Worcestershire's key assets and we, as a council, are acting to maintain and enhance it for the benefit

of all who live, work, and visit our wonderful county. Our environment is one of the county's key features, providing easy access to the countryside and a wealth of stunning scenery. Our country

parks, open spaces, and woodlands provide great walking and cycling opportunities which support our health and well-being vision.

Through our procurement activities we will contribute to this priority by:

- Specifying goods and services, based on whole life costing and minimise the use of resources.

- Encouraging and monitoring responsible environmental performance by our supply base in:
  - Reducing environmental impact
  - Reducing carbon footprint
  - Minisiming waste and increasing recycling.

4.4   Health and Wellbeing

It is our priority, working with partners, to ensure Worcestershire residents are healthier, live longer, have a better quality of life, and remain independent for as long as possible. Over half of the Council's spend is for health and social care services that enable individuals to become or remain independent, self-reliant, and part of their local communities.

We are working with our local health partners on the county's Sustainability and Transformation Plan. This is a long-term initiative to address some of the local health and care issues we have, to improve health for people across the area and to ensure we can provide safe and sustainable care into the future. It will result in:

- Reducing duplication and making services easier to navigate and access.

- All of us doing more to support healthy living and self-care and manage aspects of our conditions.

- Providing more care at home or closer to home, reducing avoidable hospital admissions.

- Potentially travelling further for more specialist services so we can ensure they are safely and appropriately staffed with the right level of expertise.

Through our procurement activities we will contribute to this priority by:

- Encouraging suppliers to adopt workplace health initiatives that keep people in work, reduce sickness and create a workplace that is more conducive to good health.

- Providing suppliers with a route to contribute to voluntary and community organisations and projects that support local people through volunteering and crowd-funding initiatives.

- Ensuring that services are procured to support the aims of the Sustainability and Transformation Plan.

- Working collaboratively with health and social care partners to share knowledge, experience and expertise and jointly procure services to deliver savings.

5.0 Our Approach

Financial pressures on the Council emphasise the importance that our commercial activities can make real financial savings. By deploying a category management approach and providing an enhanced combination of support and challenge to commissioning practitioners, we will:

- Lead the way in seeking out opportunities for financial savings and ensuring that these become real cost reductions

- Undertake research and engage with the market to both understand and influence the existing and future demand for our services

- Exploit opportunities to make cost savings through investing and enhancing our category, supplier, and contract management activities; pursuing partnering and collaborative opportunities and, developing a skilled commercial team to deliver our requirements.

5.1 Category Management

We will adopt the principles of category management in our approach to commercial activities. The category management approach will ensure that we take a full view of procurement spend to maximise value for money and secure other non-financial benefits. Our purchase requirements will be divided into categories that best reflect the market's capacity to supply. The aim is to take a strategic view of how our demand is best supplied from bought in goods, services and works at the greatest value to the Council and the local community and to ensure that our priorities are adopted throughout the entire cycle.

Our need analysis will identify if there is any scope for improvement by changes in planning and control or changing the specification of what is needed. Supply analysis will establish opportunities by assessing supplier abilities and relationships, market analysis and positioning, supplier competition and differentiation.

Through our category management approach, we will:

- Develop effective leadership on spend

- Develop and manage the supply market

- Design new models of service delivery

- Maximise value through spend aggregation

- Standardise specification to increase market competitiveness

- Understand the cost drivers that determine the costs we incur.

5.2 Operating Model and our Team

David Griffiths – Head of Commercial

Over 35 years-experience working within the supply chain arena both in the private and public sectors. Has worked with several local authorities, leading on both commercial change programmes and high value procurement projects, prior to joining our team. David leads our Commercial Team, which we have recently organised into 4 sub teams:

People - Focussing on services for adults, children, and general health & well-being.

Place - Supporting the Council's infrastructure projects including waste, highways and property

Corporate - Concentrating on IT, transport, and professional services

Operations - Developing the communications, processes, and management information.

We will deploy a fully integrated category management model adopting best practice principles of end to end purchasing lifecycle management. In doing so, we will be agile and responsive, and delivering real value based on whole life total cost and value of ownership. The model is shown in the following diagram:
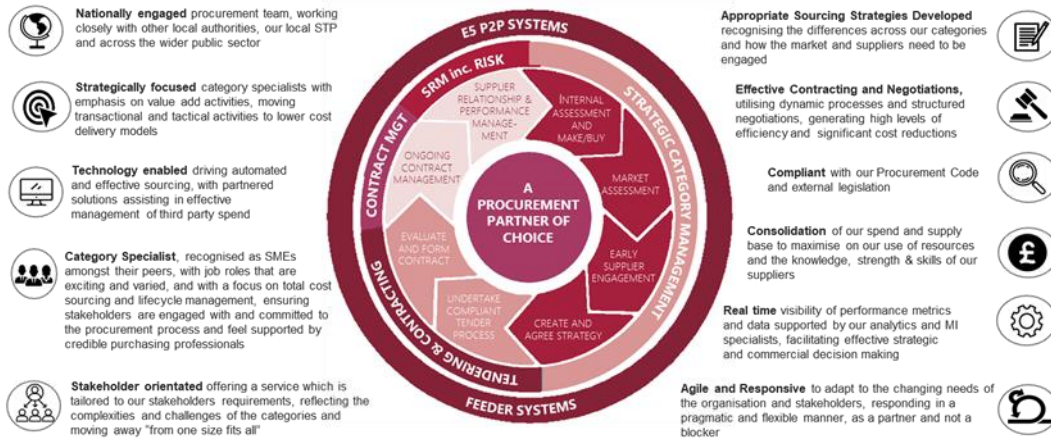
5.2.1 Eight Steps

In adopting the operating model, we will follow the eight steps of category management, as depicted in the following diagram:
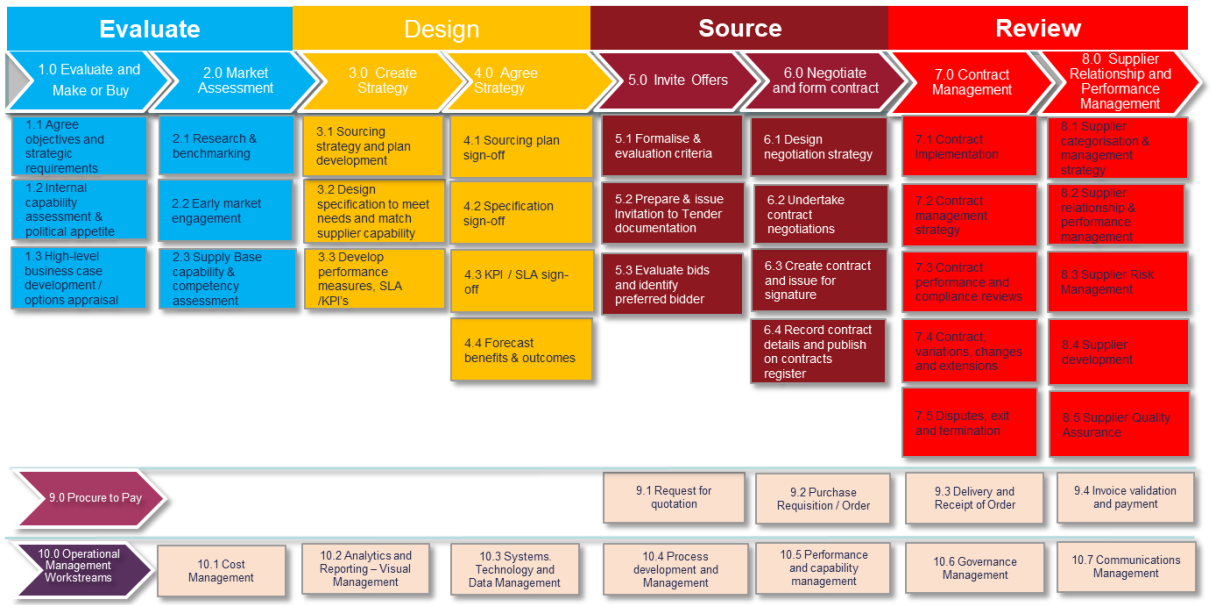
5.3   Supplier and Contract Management

We recognise that we need to be more effective in contract and supplier management to ensure we can maximise the opportunities for additional cost savings and non-financial benefits. Contract management is more than ensuring suppliers meet their contractual obligations, it helps to identify and manage risk that will be inherent in the contracts and to drive continuous improvement throughout the life of the contracts.

Key to delivering our strategic plan is developing our relations with suppliers. Our supplier engagement programme will be tailored for each supplier group depending on its relationship and influence with the

Council. Stronger engagement will not only improve relations but also enhance communications to inform changes in the way we procure, including new processes and technology.

This programme will include supplier events with local suppliers and voluntary and community organisations to help establish a vibrant and sustainable local supply base.

- Reduce Council and Supplier costs

- Eliminate waste and "off-contract spend"

- Provide ongoing benchmarking to ensure competitiveness

- Drive out unnecessary costs in the supply chain

- Ensure performance measures are aligned to outcomes

- Increase supplier performance at the same time as costs decrease.

5.4   Social Value

A key element of our procurement strategy is how our spend can contribute social value to improve economic, social, and environmental well-being. The Council's spend provides an opportunity to deliver benefits and realise outcomes that can improve the lives of residents in the county.

We must comply with the Public Services (Social Value) Act 2012, which requires us to consider how the services we procure can improve the well-being of the local area. We will do this by:

- Contributing to the Council's Priorities as stated in this strategy.

- Including a minimum of 10% as part of the evaluation criteria for all contracts over £100,000 (unless this is impractical).

- Undertaking and publishing an annual review of activity that has been done and the social value realised to through pursuing the following *Key Social Value Goals:*

    o *Unlocking community capacity through supporting more people to be active within their communities*

        - Building the capacity of local voluntary and community organisations and schools through the provision of resources and expertise.

            Measure – number of local voluntary and community organisations and schools supported.

        - Supporting the crowd funding of projects initiated by local people.

            Measure – number of crowd-funded projects contributed to and the value of contributions.

        - Creating opportunities for staff to volunteer.

            Measure – number of hours of volunteering undertaken.

Page | 13

o ***Developing and growing a skilled workforce***

- Creating training opportunities and apprenticeships for local people.

  Measure – number of local people enrolled in training and apprenticeships.

o ***Improving outcomes for vulnerable and disadvantaged learners including care leavers***

- Providing support and work experience, opportunities, and apprenticeships*.*

  Measure – number of young people supported.

o ***Encouraging the use of the local economy***

- Having a preference to buy locally on the condition that a suitable supplier exists and that this provides value for money.

  Measure – spend that is retained within Worcestershire through contracts and second tier subcontracts with local suppliers.

o ***Protecting the local environment***

- Performing contracts in an environmental responsible way by reducing waste and energy usage.

  Measure – number of contracts that deliver positive environmental impacts.

5.5   Partnering and Collaboration

Where it is in our interests and meets our procurement policies and aims, we will actively pursue partnering opportunities with neighbouring authorities and public service bodies to secure and deliver common services through shared contracting arrangements with suppliers.

We will also engage with the wider public sector to explore ways we can aggregate spend, share experiences and expertise, and look beyond the traditional boundaries to see how services can be improved and procured more effectively.

5.6   Skills Development & Capacity Building

Our procurement vision and strategy require the development of staff to undertake a new approach as well as designing and populating the right structure to deliver. We recognise that this requires investment in our staff, and we have ambitions that the procurement service will be respected by other procurement organisations. To achieve this, we will:

- Strengthen commercial leadership and management skills
- Develop a pro-active, strategic, innovative, challenging and learning culture
- Build the capability and capacity of the commercial team to deliver our procurement service
- Equip managers and staff with appropriate procurement skills, including negotiation, influencing, contract and relationship management and contract law.

5.7   Compliance and Risk Management

We have a duty to our communities to apply controls and consistent standards across all our procurement activities. Applying good leadership and governance ensures that our key decisions, processes, and procedures are legal, reflect best practice and manages risk.

Our procurement is subject to European law and we must demonstrate that it is compliant with legislation and the principles of fairness, non-discrimination, and equality. Our governance arrangements will:

- Measure progress against this strategy

- Support our cost savings and benefits realisation plans
- Develop and champion the Council's approach to Strategic Commissioning
- Ensure robust scrutiny of all contracts with full appraisal of relevant options
- Review all significant procurement projects to ensure delivery of forecasted benefits
- Ensure all procurement complies with the Council's policies, procedures, and transparency code.

An element of risk is inherent in any procurement decision. It is essential that we assess and manage risk where it could impact on service delivery, our reputation, financial and legal exposure. By being aware of risk, we will actively manage any potential problems and issues.

We will audit our contracts to check for fraud and include whistleblowing policies as part of contract conditions. We shall require our main contractors to mirror these policies in subcontracting arrangements.

By recognising and proactively managing risk, other benefits will occur including effective decisions, fewer sudden shocks and surprises, better use of resources, reduced waste/fraud, improved service delivery, reduced management time in fire- fighting and improved innovation. Therefore, we will:

- Integrate risk management into the procurement process and regularly review with suppliers
- Improve risk management through implementing a supplier quality assurance scheme and robust contract management activities
- Review strategically important contracts.

5.8   Planning and Review

A major aim of our procurement strategy is to develop a pro-active and challenging culture, striving to deliver community benefits through innovation and new ways of delivery.

We will measure the effectiveness of this strategy and these measures will be reported on in an annual review and monitored monthly.

The output from the review will be used in conjunction with any changes in the Council's priorities and financial position for updating the strategy.

Ensuring effective implementation of this strategy, we will develop an Annual Procurement Plan. The objectives of the plan will be to identify:

1. The forthcoming year's planned activity, savings, and other performance targets
2. Learning and development programme for staff
3. Market engagement activities, particularly with local organisations
4. Key risks and issues that will need managing to achieve the plan.

5.9   Systems and tools

We will strive to deliver new and improved technology and system solutions during the course of the next three years, extending our capabilities, introducing greater process automation, and providing us with real time access to the data and information we need to support informed and effective decision making.

The Commercial Team currently has two principle technology solutions which it relies on over and above the Finance e5 solution. Intend is our e-tending system and in the coming months, new functionality will be developed with the solution prior to its relaunch. In addition, we have developed an in-house analytics solution using the power BI platform, providing us with real time (or close to) data on our category spend, suppliers, savings and many more areas. This tool will need further

development over the next three years, focusing on data integration with other system, data integrity and accuracy, and an expansion in scope of the data covered, such as environment data, improved risk data, social value tracking etc.

Examples below of current dashboards.
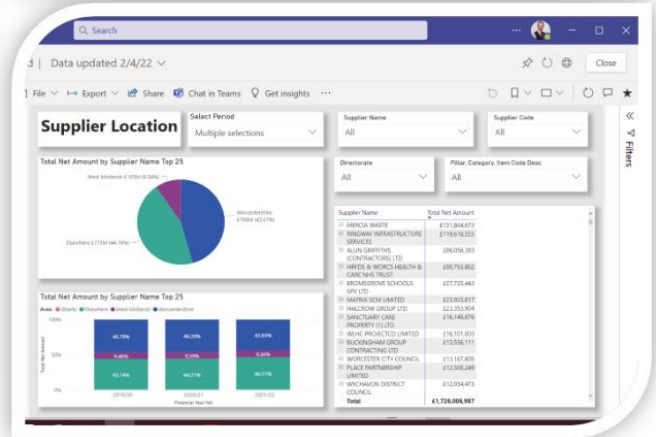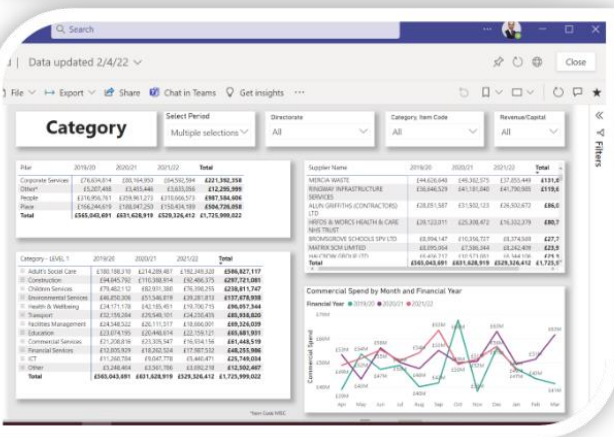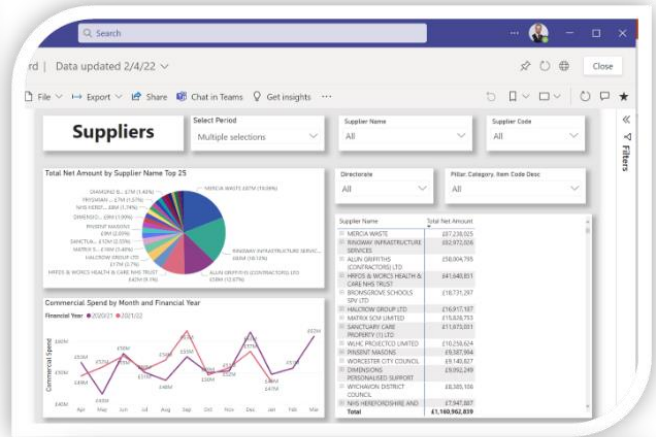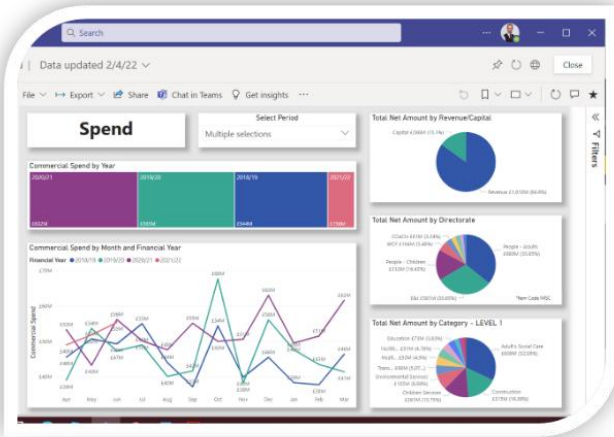
6.0   Conclusion and summary

TBC

This page is intentionally left blank