

STaR Procurement Joint Committee – 13 April 2015

Activity and Business Improvement Plan Report

Jan - Mar 2015

Summary and recommendation

This report provides an overview of the key activities of STaR Procurement for the quarter Jan – Mar 2015. Specifically, it contains an overview of STaR' activity in our first year of operation as well as a more comprehensive update on activity in relation to Business Improvement.

Joint Committee Members are requested to note the report.

Overview

STaR is a ground breaking shared service. Developing a team of experienced officers into a wholly shared service for the first time, without any network of experience in the North West, was always going to be a challenge in the first years.

The focus in year one has been on operational delivery and responding to customer needs. This has meant that the service has been largely reactive. This work has been delivered in the context of an environment where key foundations of the service such as resources, CPRs, documentation and process were not fully available or established. Further, key enablers such as ICT and SpendPro were not as accessible as would have been hoped.

Despite these constraints and through the hard work and commitment of the STaR team, significant key achievements have been delivered in our first year of operation:

- Improved compliance position and reduced risk for all Councils
- The waiver process for all three councils is better controlled
- CPRs are almost complete and will be considered by the Joint Committee as scheduled on 13th April 2014
- Total savings delivered in excess of £2m
- The savings programme for 2015/16 is looking very positive
- Recruiting the right people who are able to deliver change and improved services for clients

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- A training plan has been established which addresses the generic needs of the team as well as person specific requirements
- Fulfilling the requirement of the Transparency Code 2015
- The team have created relationships across all three Councils which are positive overall and provide a good foundation to build upon
- Customer and supplier satisfaction questionnaires have now been circulated
- Engagement with local supply chains has been positive
- Delivery of complex high value and high risk Competitive Dialogue process for Trafford
- Business Improvement Plan is now in place and a Standards Group and Communications Group are established to drive through the activity needed
- A balanced scorecard has been developed to allow us to report performance to the Joint Committee on a quarterly basis.
- DoP was part of the working group which developed the GM Social Value Framework
- DoP is a member of the CIPFA Joint Commissioning Panel
- DoP is the Deputy Chair of the INetwork Connected Procurement Group which facilitates collaborative learning and working across the whole of the North West
- The outturn forecast for 2014/15 demonstrates an underspend and £105,000 will be earmarked as reserve

Business Improvement in STaR

To help shape and drive forward the business improvement agenda, it has been proposed and agreed that a Business Improvement Plan (BIP) should be adopted and monitored by the STaR Board. The BIP will drive system development and behaviours across the whole of STaR, however it will be 'owned' and driven by the STaR senior management team and will be a standing item on the SMT agenda.

The plan is based upon four principle inter-related areas:

Improving Service Delivery

- Ensuring compliance
- Delivering savings
- Delivering social value

Enhancing Customer/Supplier Experience

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- Measure and improve customer satisfaction
- Build deeper relationships with customers/suppliers
- Build customer base

Building Organisational Capacity

- Increase productivity
- Develop quality systems
- Anticipate demand / build flexibility
- Create a seamless and joined-up front end of the service

Develop and Support Staff

- Happy and content workforce
- Low staff turnover
- Supportive and appropriate training
- Well informed and engaged workforce

To address these areas three internal working groups have been established to focus on key but overlapping issues.

All of the Groups are chaired and coordinated by the Business Improvement Manager and have a cross sectional representation across both the procurement categories and grades of post within the STaR team. All STaR team members are involved in at least one group. The groups meet fortnightly and members develop work packages between meetings. The STaR monthly team meeting currently receives reports and updates from the individual groups.

The three groups are:

The Standards Group

This work will be based on that which has already been undertaken to integrate the Contract Procedure Rules and the development of the draft Procurement Handbook.

Workflow diagrams will be developed that will chart the critical decision making points in various external and internal procurement processes and bring about consistency of approach across the service. These will also map the critical points where action may be required to unblock barriers or where additional resources will be required. They will also be supplemented by the provision of consistent and standardised documentation and data capture protocols.

Essential to ensuring that these workflow systems operate effectively will be the establishment of a strong central filing system for key files and templates.

Training will also be required for all staff members to understand the agreed workflows, processes and documentation. Once the various elements are in place the Standards Group will

become in effect a Continuous Improvement Group that will be required to monitor the implementation and take action when practice need to change.

The priority for the standards work will be to develop an interactive STaR 'procurement manual' that will guide service users through the procurement process. The 'Manual' will be available on the Councils' intranet, and once it is established, STaR's own website.

Currently the following processes are being developed and tested through the work of this group:

1. Procurement Process (As Is & To Be?)
2. Formalisation of a Non-Compliant Contract (No Contract in Place)
3. Procurement Initiation Document (PID) Flow
4. Issue Identification, Notification & Resolution
5. Contract 'On Hold'
6. Managing 'Scope Creep'
7. Care home Placement
8. Contract Management

Additionally, to support the development of manuals and workflow guidance, work will begin to investigate the potential of utilising e-learning packages designed to support commissioners and build understanding and competence in the procurement process.

The Customer/Supplier Care Group

There is need for a customer care policy and procedures to be developed. A baseline questionnaire survey of the existing customer/supplier base is being undertaken and this will be done as part of a consultation exercise on a draft Customer Service Charter.

Satisfaction surveys will then be routinely undertaken at the completion of procurement exercises.

The Customer Service Group is actively considering the procedures that will need to be developed to support the policy and also develop a complaints and compliments procedure.

In the medium-term STaR will look to build a Customer Relationship Management (CRM) system to ensure consistent and up to date information is available to support engagement with both customers and suppliers. It is understood that work is already underway within Trafford MBC to develop a Council wide CRM that STaR may be able to utilise.

The Communications Group

A communications group has been established to oversee and review action on both external and internal communications.

In terms of public facing communications key issues include the development of an effective brand including a logo. The development of a website with suitable content including contacts, key policies, case studies, videos, 'thought leadership' editorial and market placement material. Consideration will also be given to developing a social media presence – particularly on Twitter.

Through an existing Trafford MBC framework 'JASK', a graphic design consultancy, has been engaged to develop a brand image for STaR that reflects the mission and values of the organisation going forward. This is key to many other aspects of STaR's communication strategy and will determine the nature of our publicity and promotional materials, including the style of the STaR website.

Initial designs will be delivered after Easter 2015 and through an inclusive process of consultation and review the nature of the STaR logo will be developed.

The future development of the STaR service will completely rely upon its reputation and credibility. To build this profile we will set targets to achieve appropriate quality systems status such as iso 9001 as well as recognised awards in the public sector and local authority arenas.

Internal communications will also be reviewed to consider the flows of information through the team and in particular consider the role of the current team meetings, SMT, category team meetings and other periodic meetings to ensure that there is effective connection and communication across the internal network.

The interface between the STaR team and the STaR board will also need to be explored and developed through the work of the Communications Group to enable a deeper understanding and relationship between executive and non-executive functions of the organisation.

Staff Development

Whilst there is not a specific working group that has been established to consider staff development issues, this will form a significant and constant element of the BIP.

Early indications show that staff morale could be improved as staff struggle to settle in a newly formed organisation. Much of this can be attributed to the necessary pressure to perform from partner expectation combined with uncertainty through the lack of definitive documented systems and the incomplete integration of the three founder local authority services. This is not universal however and I believe that there are some useful building blocks to effect the necessary change within the team culture.

Following the completion of the staff survey, the STaR team has engaged in a team development programme that will build better teamwork and communications. The work initiated through the various BIP working groups has also begun to assist in developing a stronger and better supported team working.

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Trafford MBC holds a competence framework for the development of staff. STaR will develop an approach to understand how this framework can be best applied and operated within the STaR Team. Competence frameworks can offer useful mechanisms to develop staff and understand their training needs and SMT members will be working on STaR can use the Personal Development Review procedures and the competence framework to provide a consistent approach to staff development that is recognised as excellent.

From the work undertaken in the other workgroups, training needs will be identified and an integrated training programme will be developed.