

Annual Report 2014-15

1 Procurement Team

3 Local Authorities

91 Commissioners Assisted

250 Suppliers Appointed

184 Contracts Awarded

£355,000,000 Total Contract Value

£1,962,000 Savings Achieved!



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Foreword

It gives me great pleasure to introduce STAR Procurement's first annual report. Since I joined STAR in June 2014, I can honestly say that working to bring three procurement teams together into a single integrated unit has been both challenging and motivating in equal measure. Driving the fusion of cultures, systems and habits of established teams has been all consuming at times, yet the potential and opportunity that such an integrated service can and is beginning to provide, has been truly inspirational.

As you will see in this short report, the achievements of the service in its first full year of operation are impressive, especially given the scale of the underpinning operational change – most importantly it gives insight to the full potential of service. This report also demonstrates just how far we have come in developing a new STAR Procurement culture and operating system to make us not only fit for purpose, but in time to be recognised as an excellent procurement service locally, regionally and nationally. I passionately believe that effective procurement can deliver value for money, excellent goods and services for all our residents and businesses and social value. Furthermore, it will play a significant part in supporting the large scale changes that local government must embrace and my vision for STAR is for it to play a central role in the public sector reform agenda.

From its inception STAR Procurement has enjoyed unstinting support from our partners in Stockport, Trafford and Rochdale Councils. In particular the STAR Board and Joint Committee have been wonderful sources of advice and guidance in the development of the service. I'd like to take this opportunity to personally thank them for all their support.

I hope that you enjoy learning about STAR Procurement's work and I look forward to working with you.



Sharon B Robson MCIPS
Director of Procurement



STAR Procurement

In February 2014 Stockport, Trafford and Rochdale Councils established a ground breaking shared procurement service – STAR Procurement.

STAR has been created to become a key change agent that will support partner organisations as they develop new, innovative and cost effective ways to deliver services to all our communities, whilst at the same time minimising the risks and costs associated with such transformations.

The key objectives for STAR are:

- Providing Leadership
- Making Savings
- Supporting Social Value and Local Economies
- Modernising Procurement

In order to do this STAR will:

- Provide resilience, enhance skills and expertise within procurement and commissioning
- Increase the impact of procurement by economies of scale and increased leverage of the market
- Help partners get best possible value from spending, whilst maximising outcomes from a lower resource base
- Strike the appropriate balance between compliance and the requirement to drive down costs
- Maximise the impact of the Public Sector expenditure (social value) e.g. economic growth, protecting local businesses, apprenticeships
- Focus on contract & supplier performance management
- Recruit more partners and grow



Procurement by Numbers

During its first full year of operation, STAR Procurement worked hard to establish close working relationships with our partners in Stockport, Trafford and Rochdale. Creating a new, single, integrated procurement unit with sufficient capacity from three small, separate and established teams brought challenges to build a cohesive culture and unified processes and procedures – and all whilst maintaining business as usual!

In 2014-15 the STAR team managed a total of **184** procurement activities across our three partners totalling c.**£355,000,000** in total contract value.

In managing this we assisted **91** different service commissioners and resulted in the appointment of approximately **250** different suppliers.

Significantly, through the work of STAR Procurement joint savings of **£1,962,000** were achieved. Given that in many respects 2014-15 was a 'transition year' for the service, this result bodes well for STAR achieving even greater efficiencies and savings in future years.

In addition to direct procurement support and advice, STAR worked with a number of Economic Development Services, Chambers of Commerce and the Business Growth Hub to facilitate and contribute to supplier briefings, training sessions and 'meet the buyer' events throughout the year.



STAR Staff

Throughout 2014-15 the STAR staff team has changed and developed as the new shared service arrangements have 'bedded-in'. Inevitably this resulted in a degree of staff turnover and movement. However, the team is now settling and further foundations are being laid and all of this is supported by strong performance management and a tailored training programme.

The performance and reputation of STaR is based on the competency, attitude and ability of our staff to deliver for our partner organisations and clients.

We believe there are huge opportunities to develop and grow the service but this will only happen if we develop and grow our staff. We have an established training plan which sets out generic requirements as well as personalised areas of focus for the team. As a shared service STaR is a sustainable procurement service for the future and investment in our staff is essential.



Social Value

Across the entire public sector and especially in local government, there is an ever increasing focus on providing the maximum benefit to communities from every taxpayer pound that is spent. The Public Services (Social Value) Act 2012 requires councils to consider social value in all services contracts with a value above the EU threshold. Social Value can mean many different things, for example the inclusion of targeted recruitment and training opportunities in public contracts that can make a contribution to addressing the issue of poverty and reduced social mobility.

During 2014-15 STAR Procurement played a prominent part in the development of the award winning Greater Manchester Social Value Framework. This has subsequently been adopted by STAR and we will work with commissioners to ensure that social value considerations are embedded within procurement practice and economic, environmental and social outcomes are delivered through procurement activity.

The Six Social Value Objectives for Greater Manchester are:

- **Promote employment and economic sustainability** – tackle unemployment and facilitate the development of skills
- **Raise the living standards of local residents** – working towards living wage, maximise employee access to entitlements such as childcare and encourage suppliers to source labour from within Greater Manchester
- **Promote participation and citizen engagement** – encourage resident participation and promote active citizenship
- **Build the capacity and sustainability of the voluntary and community sector** – practical support for local voluntary and community groups
- **Promote equity and fairness** – target effort towards those in the greatest need or facing the greatest disadvantage and tackle deprivation across Greater Manchester
- **Promote environmental sustainability** – reduce wastage, limit energy consumption and procure materials from sustainable sources



Business Improvement

Fundamental to the success of STAR during this foundation year has been the work to develop and implement our Business Improvement Plan. The plan is based upon four principal areas:

- Improving service delivery
- Enhancing customer experience
- Building organisational capacity
- Developing STAR staff

A core pillar of improving our business has been the agreement of a single set of Contract Procedure Rules for all of our partners. These were developed through the hard work and commitment of the legal and finance teams from across the three councils. In addition to contract procedure rules we have developed a unique and innovative STAR Procurement Handbook and a suite of standard documentation. Together these will hopefully make the procurement process much simpler and more efficient for our clients.

Activities are not limited to procurement alone and STaR has been pivotal in working across the three councils to ensure compliance with the 2014 Transparency Code.

Through the business improvement agenda STAR has also established its corporate brand and identity, introduced customer satisfaction monitoring, worked with our partners to review and reform operational systems and provided a range of training and development courses to build the knowledge and skills of the STAR procurement team.



STAR Future

Next year will be a defining one for STAR Procurement. With many of the 'back of house' systems in place, a full complement of well trained and committed staff and most importantly, supportive partners, STAR will be well placed to face the challenges ahead. It is clear that the efficiencies and savings that effective procurement can bring will be needed more than ever in the coming years.

We have a heavy work programme which supports the strategic and operational activities of our clients as well as a strong commitment to deliver continuous improvement in our service.

STAR will continue to play its full part in the public sector reform and devolution agendas and will be keen to develop new working relationships and new partnerships.

2015-16 will see the launch of the STAR Procurement website. This will be a very important step as it will aim to provide a 'one-stop-shop' service for procurement needs but also a window for potential new partners to glimpse the excellent service that STAR can provide.



STAR

PROCUREMENT

STaR procurement is the shared procurement service for Stockport Trafford and Rochdale



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