



## **AGENDA PAPERS FOR**

### **STOCKPORT, TRAFFORD AND ROCHDALE (STAR) JOINT COMMITTEE MEETING**

**Date: Tuesday, 18 October 2016**

**Time: 2.00 pm**

**Place: Meeting Room 12, Trafford Town Hall, Talbot Road, Stretford, M32 0TH**

<b>A G E N D A</b>	<b>PART I</b>	<b>Pages</b>
1.	<b>ATTENDANCES</b>  To note attendances, including Officers and any apologies for absence.	
2.	<b>MINUTES</b>  To receive and if so determined, to approve as a correct record the Minutes of the meeting held on 20 July 2016.	1 - 6
3.	<b>DECLARATIONS OF INTEREST</b>  Members to give notice of any interest and the nature of that interest relating to any item on the agenda in accordance with the adopted Code(s) of Conduct.	
4.	<b>PERFORMANCE FRAMEWORK - CORPORATE REPORTS</b>  To receive the following reports of the Director of STAR Shared Procurement:	
	(a) STaR Revenue Budget Monitoring Report - Period 1/4 2016/17	7 - 8
	(b) Human Resources Statistics - 2016/17 Quarter 2	9 - 12
	(c) Risk Register	13 - 18

**5. PERFORMANCE FRAMEWORK - MILESTONE REPORTS**

To receive the following reports of the Director of STAR Shared Procurement:

- |     |  |         |
|-----|--|---------|
| (a) | Business Plan Action Plan - Quarter 2 Update | 19 - 22 |
| (b) | Quality Management System Update             | 23 - 28 |

**6. BALANCED SCORECARD**

To receive the following report of the Director of STAR Shared Procurement:

- |     |                                      |         |
|-----|--------------------------------------|---------|
| (a) | Quarter 2 Balanced Scorecard 2016/17 | 29 - 32 |
|-----|--------------------------------------|---------|

**7. NEW BUSINESS / CLIENT UPDATE**

To receive an oral report of the Director of STAR Shared Procurement.

Verbal  
Report

**8. AWARDS UPDATE**

To receive an oral report of the Director of STAR Shared Procurement.

Verbal  
Report

**9. URGENT BUSINESS (IF ANY)**

Any other item or items which by reason of special circumstances (to be specified), the Chairman of the meeting is of the opinion should be considered at this meeting as a matter of urgency.

**10. DATE AND TIME OF NEXT MEETING**

To note that the next meeting is scheduled to be held 2.00 p.m. – 3.30 p.m. on 19 January 2017 in Conference Room 1, Fred Perry House, Stockport.

**THERESA GRANT**

Chief Executive

Membership of the Committee

Councillors A. Brett, P. Myers and D. Sedgwick

Further Information

For help, advice and information about this meeting please contact:

Ian Cockill, Democratic and Scrutiny Officer,

Tel: 0161 912 1387

Email: [ian.cockill@trafford.gov.uk](mailto:ian.cockill@trafford.gov.uk)

**Stockport, Trafford and Rochdale (STAR) Joint Committee - Tuesday, 18 October 2016**

This agenda was issued on **Monday, 10 October 2016** by the Legal and Democratic Services Section, Trafford Council, Trafford Town Hall, Talbot Road, Stretford M32 0TH.

Any person wishing to photograph, film or audio-record a public meeting is requested to inform Democratic Services in order that necessary arrangements can be made for the meeting.

Please contact the Democratic Services Officer 48 hours in advance of the meeting if you intend to do this or have any queries.

This page is intentionally left blank

# Agenda Item 2

## STOCKPORT, TRAFFORD AND ROCHDALE (STAR) JOINT COMMITTEE

20 JULY 2016

### PRESENT

Councillor A. Brett (in the Chair).  
Councillors P. Myers and Sedgwick (Vice-Chairman)

#### Also Present

Councillor Dylan Butt (Trafford)  
Councillor Mrs Laura Evans (Trafford)

#### In attendance

Sharon Robson	- Director of Procurement (STAR Shared Procurement)
Jonathan Davies	- Head of Financial Accounting, Stockport Council
Julie Murphy	- Head of Finance, Rochdale Borough Council
Mark Jones	- Interim Legal Advisor, Trafford Council
Elizabeth McKenna	- Head of Strategic Procurement (STAR Shared Procurement)
Alison Keen	- PA to Director of Procurement (STAR Shared Procurement)
Chris Gaffey	- Democratic and Scrutiny Officer, Trafford Council

### 1. MEMBERSHIP OF THE COMMITTEE 2016/17, INCLUDING CHAIRMAN AND VICE-CHAIRMAN

Members welcomed Councillor David Sedgwick to the meeting who was recently confirmed as Stockport Borough Council's new representative on the STAR Joint Committee.

RESOLVED: That the Membership of the STAR Joint Committee for the 2016/17 Municipal Year, be noted:

Councillors Allen Brett (Chairman), Patrick Myers, and David Sedgwick (Vice Chairman).

### 2. TERMS OF REFERENCE

RESOLVED: That the Committee's Terms of Reference be noted.

### 3. MINUTES

RESOLVED: That the Minutes of the meeting held on 19 January 2016, be approved as a correct record and signed by the Chairman.

### 4. DECLARATIONS OF INTEREST

No declarations of interests were made by Members.

### 5. STAR REVENUE BUDGET MONITORING REPORT - 2015/16 OUTTURN

The Committee received a joint report of the Director of Procurement STAR Procurement and the Finance Manager detailing the outcomes of the monitoring of STAR's revenue budget for the 2015/16 financial year.

**Stockport, Trafford and Rochdale (STAR) Joint Committee**  
**20 July 2016**

RESOLVED: That the report be noted.

**6. STAR REVENUE BUDGET MONITORING REPORT - PERIOD 1-2, 2016/17**

The Committee received a joint report of the Director of Procurement STAR Procurement and the Finance Manager detailing the outcomes of the monitoring of STAR's revenue budget for period 2 of the current financial year (April to May 2016).

RESOLVED: That the report be noted.

**7. HR STATISTICS - QUARTER 4 2015/2016**

The Committee received a report of the Business Improvement Manager providing HR statistics for STAR Procurement staff for the 2015/16 financial year. It was noted that a large portion of the 291 days lost to sickness over the year could be attributed to just two members of staff. The situation had since been addressed with a marked improvement in the statistics.

RESOLVED: That the report be noted.

**8. HR STATISTICS - 2016/17 QUARTER 1**

The Committee received a report of the Business Improvement Manager providing HR statistics for STAR Procurement staff for the first quarter of the 2016/17 financial year.

The Director of Procurement advised that a staff member would become a long term absentee due to illness, and the employing of an additional member of staff on a temporary basis was being considered. The budget would be reviewed before making a final decision.

RESOLVED: That the report be noted.

**9. STAR RISK REGISTER - Q1**

The Committee received a report of the Business Improvement Manager providing an update on the organisational Risk Register for STAR Procurement at the end of the first quarter of the 2016/17 financial year. Members were alerted to a new risk which had been added to the register concerning information governance, as well as the downgrading of the risk associated with The Chest (Procurement Portal) performance issues.

RESOLVED: That the report be noted.

**10. STAR BUSINESS PLAN 2016/17**

The Committee received a report of the Head of Strategic Procurement providing a summary of the process that was followed to develop the STAR Business Plan for 2016/17. The report also detailed STAR's vision and objectives.

**Stockport, Trafford and Rochdale (STAR) Joint Committee**  
**20 July 2016**

The Business Plan had been formed with high level strategic direction from the STAR Board, with the aim of making STAR the employer of choice. The Plan stressed STAR's commitment to value for money, being customer focused, collaboration and innovation.

Members discussed the possible implications of Brexit on the procurement industry, and noted the importance of securing new partners as part of the STAR objectives.

RESOLVED: That the STAR Business Plan for 2016/17 be approved, published on the STAR website, and circulated to stakeholders.

**11. CONTRACT PROCEDURE RULES**

The Committee received a report of the Director of STAR Procurement setting out the proposed amendments to the harmonised Contract Procedure Rules (CPR) currently adopted by each Council. It was noted that the response to the CPRs as adopted in 2015 had been overwhelmingly positive, and it had always been planned to review them after the initial year of operation.

The Director of Procurement STAR Procurement thanked the CPR working group for their efforts in reviewing the CPRs, and it was noted that the suggested amendments had been agreed by the legal and finance teams of each Local Authority. If the proposed changes were endorsed by the Joint Committee, these would need to be approved by each respective Council before their incorporation into their Constitutions.

RESOLVED: That the revised Contract Procedure Rules be endorsed by the Joint Committee and referred to each Council for their approval and incorporation into their respective Constitutions.

**12. STAR AWARDS PLAN**

The Committee received a report of the Head of Strategic Procurement highlighting STAR Procurement's award successes to date. STAR won the National Go Award for Procurement Leadership of the Year in March 2016, and was recently shortlisted for the Association for Public Service Excellence (APSE) Service Awards 2016. The report also detailed plans for future award submissions, setting out a targeted approach to ensure that the integrity and prestige of the awards remained high.

RESOLVED:

(1) That STAR Procurement's award successes to date be noted.

(2) That the targeted plan for future award submissions be agreed.

**13. 2015/16 BALANCED SCORECARD FINAL POSITION**

The Committee received a report of the Head of Strategic Procurement providing a final position statement on the balanced scorecard for the financial year 2015/16. All targets were achieved.

RESOLVED: That the report be noted.

**Stockport, Trafford and Rochdale (STAR) Joint Committee**  
**20 July 2016**

**14. BALANCED SCORECARD PERFORMANCE - QUARTER 1 2016/17**

The Committee received a report of the Head of Strategic Procurement providing an update on the balanced scorecard performance at the end of the first quarter of the 2016/17 financial year. Members were also advised of the changes made to the balanced scorecard, with the Social Value (SV) element now weighted at 20 per cent (raised from 15 per cent), and the Customer Satisfaction / Performance element now reduced to 10 per cent. The Key Performance Indicators (KPIs) had also been amended to be more focused for the 2016/17 financial year.

Members were advised that the achieved savings for F1 were calculated only after savings information had been signed by senior finance officers from each Council, providing accurate figures. The Committee questioned whether the target set for the first element of the Social Value aspect of the scorecard (S1) was realistic considering its low score during the first quarter. The Director of STAR Procurement advised that work was ongoing to review this target as well as how S1 would be delivered going forward. It was suggested that a revised target might be set following the review.

RESOLVED: That the report be noted.

**15. SOCIAL VALUE CURRENT POSITION AND FUTURE STATE**

The Committee received a report of the Head of Strategic Procurement providing a summary of the current social value implementation across Greater Manchester via independent review by the Centre for Local Economic Strategies. The report also provided a summary of the current Social Value implementation at STAR Procurement, and a summary of further actions.

It was noted that all STAR Councils had adopted the GMCA Social Value Policy, and the Joint Committee were asked to agree to the inclusion of a 10 per cent weighting requirement for Social Value (SV) in relevant tender submissions to STAR. Members were advised of reluctance by some commissioners to allocate this percentage as there was no mandated requirement to adhere to this value and no reference to it in the Contract Procedure Rules. The Committee discussed the importance of SV, but wanted to ensure that the requirements did not adversely affect smaller companies. Members requested feedback on this at the next meeting to ensure that the inclusion of the 10 per cent SV requirement was not deterring smaller companies from submitting tenders. All Members agreed to review the STAR Procurement Handbook which is one of the resources offered to smaller companies. The Director of Procurement welcomed any feedback with a view to improving the offer.

RESOLVED:

- (1) That the current GM and STAR Procurement approach to Social Value be noted.
- (2) That the proposals for further rollouts of Social Value be noted.
- (3) That the requirement for a tender to include a Social Value weighting of 10 per cent where relevant and proportionate, be agreed.



**Stockport, Trafford and Rochdale (STAR) Joint Committee**  
**20 July 2016**

- (4) That Committee Members study the STAR Procurement Handbook to assess its accessibility for smaller companies.

**16. MANCHESTER CITY COUNCIL'S ETHICAL PROCUREMENT POLICY**

The Committee received a report of the Director of STAR Shared Procurement providing an update on the progress on Manchester City Council's Ethical (Procurement) Policy. Following a discussions at the STAR Joint Committee meeting in January 2016, it was agreed that the Director of STAR Shared Procurement would attend meetings of the Manchester Overview and Scrutiny Ethical Procurement Task and Finish Group on behalf of the STAR Joint Committee Elected Members, and report back accordingly.

The Director of STAR Shared Procurement noted that the Policy represented good practice, and the consensus from the meeting on 17 June 2016 was that the Policy had the potential to be applied across Greater Manchester. The input of all three authorities on the STAR Joint Committee would be required before anything was agreed, and it was noted that the document should be re-drafted to be sufficiently generic to apply to all GMCA members.

RESOLVED:

- (1) That the report be noted.
- (2) That the proposed next steps set out in the report be agreed.

**17. NEW BUSINESS / CLIENT UPDATE**

The Committee received a verbal report of the Director of STAR Procurement providing an update on potential new business and clients.

Salford City Council had expressed their interest in collaborating with STAR, and the options available to them were currently being considered by their Cabinet. The Committee were advised that the discussions around the potential partnership with Greater Manchester Police had stagnated, and would most likely not go ahead.

The Committee discussed the inclusion of potential new partners within STAR, and members were keen to ensure that the original STAR members would benefit from any new partnership and that the service would not be diluted.

RESOLVED: That the update be noted.

**18. DATE AND TIME OF NEXT MEETING**

It was confirmed that the next meeting of the STAR Joint Committee would be held at Trafford Town Hall at 2:00pm on Tuesday the 18<sup>th</sup> of October 2016. The following meeting was scheduled for 2:00pm on Thursday the 19<sup>th</sup> of January 2017 at Stockport Town Hall.

RESOLVED: That the meeting arrangements be noted.

**Stockport, Trafford and Rochdale (STAR) Joint Committee**  
**20 July 2016**

The meeting commenced at 2.00 pm and finished at 3.15 pm

## TRAFFORD COUNCIL

**Report to:** STAR Procurement Joint Committee  
**Date:** 18<sup>th</sup> October 2016  
**Report for:** Information  
**Report author:** Sharon Robson, Director of Procurement, STAR & Peter Carr, Finance Manager

### STaR Revenue Budget Monitoring Report – Period 1 - 4 2016/17

#### 1 Outturn

- 1.1 The approved net expenditure revenue budget for the year is £1,304k and the forecasted outturn at Period 4 (April to July 2016) is £1,278k. This is a forecast underspend of £(26)k for the financial year.
- 1.2 As previously reported, the budget has been realigned to reflect the revised staffing establishment planned for the year. This has increased the staffing budget by £6k, with the transport budget reduced by the same amount to keep the overall budget the same as approved in February 2016.
- 1.3 The STAR earmarked reserve has a balance of £131k carried forward from previous year which will be utilised to support future procurement related activity. It is proposed that the exceptional, one off costs associated with recruiting a new Director of Procurement (est. £13k) will be taken from the reserve figure.

#### 2 Summary of Variances for the Year

- 2.1 The main items contributing to the £(26)k underspend are as follows:
  - **Staffing and Running Costs £69k over budget;** £56k relates to interim staff employed to generate additional income, plus a further £11k on other staff costs required to cover vacant posts and long term sickness absence. There is further £2k of overspend on general running costs
  - **Additional external income, £(95)k;** funding streams are above budgeted expectations following a number of successful bids for chargeable third party work. This required additional interim staff resources (as above).

	Original Full Year Budget £000's	Revised Full Year Budget £000's	Total Months 1 to 4 £000's	Projection Months 5 to 12 £000's	2016/17 Forecasted Outturn £000's	Over / (Under) Spend for Year £000's
Employees	1,122	1,128	354	785	1,139	11
Agency	0	0	0	56	56	56
Training	21	21	0	21	21	0
Staff Advertising	5	5	0	5	5	0
<b>TOTAL EMPLOYEE COSTS</b>	<b>1,148</b>	<b>1,154</b>	<b>354</b>	<b>867</b>	<b>1,221</b>	<b>67</b>
Premises	2	2	0	2	2	0
Transport	18	12	4	8	12	0
Equipment	1	1	0	1	1	0
Catering	4	4	0	4	4	0
Office Equipment	3	3	1	2	3	0
Consultants/Training Fees	10	10	0	10	10	0
ICT Costs including telephones	17	17	2	15	17	0
Subscriptions	14	14	1	13	14	0
Other	2	2	4	0	4	2
<b>RUNNING COSTS</b>	<b>71</b>	<b>65</b>	<b>12</b>	<b>55</b>	<b>67</b>	<b>2</b>
<b>SUPPORT SERVICES COSTS</b>	<b>105</b>	<b>105</b>	<b>0</b>	<b>105</b>	<b>105</b>	<b>0</b>
<b>TOTAL EXPENDITURE</b>	<b>1,324</b>	<b>1,324</b>	<b>366</b>	<b>1,027</b>	<b>1,393</b>	<b>69</b>
External Income	(20)	(20)	(20)	(95)	(115)	(95)
<b>TOTAL INCOME</b>	<b>(20)</b>	<b>(20)</b>	<b>(20)</b>	<b>(95)</b>	<b>(115)</b>	<b>(95)</b>
<b>NET EXPENDITURE</b>	<b>1,304</b>	<b>1,304</b>	<b>346</b>	<b>932</b>	<b>1,278</b>	<b>(26)</b>

<b>STAR Reserve 2016/17</b>	
Balance 1st April 2016	131
Forecast Underspend 2016/17	26
<b>Balance 31st March 2017</b>	<b>157</b>

**Report to:** STAR Joint Committee  
**Date:** 18<sup>th</sup> October 2016  
**Report for:** Review and Discussion  
**Report of:** Business Improvement Manager

**Report Title**

**HR Statistics – 2016/17 Quarter 2**

**Purpose**

The purpose of this report is to:

- Advise Joint Committee Members on the HR statistics for STAR Procurement staff for Q1 of the financial year April 2016 to March 2017

**Recommendations**

The STAR Joint Committee notes the content of the statistical information provided

**Contact person for access to background papers and further information:**

Name: Mark Pearson Phone 07875 635562

**Background**

Financial Impact:	None
Legal Impact:	None
Human Resources Impact:	Subject matter of the report comprises cumulative quarterly statistical information relating to HR matters within STAR Procurement
Asset Management Impact:	None
E-Government Impact:	None
Risk Management Impact:	None
Health and Safety Impact:	None

## **Consultation**

No public consultation required

## **Reasons for Recommendation(s)**

The HR Statistics update is issued for information and the Joint Committee is asked to note its contents

### **1. Summary**

- 1.1 TMBC HR Service has provided statistics in respect of the STAR Procurement team for the period to 31<sup>st</sup> August 2016. The full Q1 and Q2 statistics for the period to 30 September 2016 are not yet available
- 1.2 Key movement between the information provided in Appendix 1 to this report and the previous 2016-17 Q1 statistics are:
  - 1.2.1 Two members of staff has left STAR Procurement
  - 1.2.2 Four members of staff have joined STAR Procurement
  - 1.2.3 Average FTE days lost is 3.92 days
  - 1.2.4 Average long term sickness is 2.82 days
- 1.3 The long term sickness absence statistics for the year to date comprise:
  - 1.3.1 As previously reported, one individual absence due to a fractured limb and the reduction in mobility resulting from the injury. This was mitigated by the member of staff working from home when appropriate
  - 1.3.2 As previously reported, one individual absence due to a member of staff having commenced treatment for cancer. The continuation of this treatment and recovery time will impact on the statistics in the forthcoming quarter. The member of staff is in regular contact with STAR Procurement and is responding well to the course of treatment
- 1.4 The following comparisons with the STAR position at the same quarter of 2015-16 have been made to highlight year-on-year improvements in terms of average days lost and average long term sickness:
  - 1.4.1 Average FTE days lost indicates a 57% reduction, from 9.2 to 3.9 days
  - 1.4.2 Average long term sickness indicates a 65% reduction, from 8.4 to 2.8 days

### **2 Recommendations**

- 2.1 It is recommended that STAR Joint Committee notes the content of the statistical information provided

## Appendix 1: HR Statistics 2016-17 Q2

### Part 1 – Leavers and New Starters

Starters/Leavers FTE & Headcount by Department (01/04/2016 –31/08/2016)				
	Starters		Leavers	
	Headcount	FTE	Headcount	FTE
STaR	4	3.8	2	2

### Part 2 – Sickness Absence by Reason

Short Term/Long Term & Absence by Reason			
Reason	Days Lost (headcount)	Short Term (headcount)	Long Term (headcount)
Cold, Cough, Flu Influenza	11 (2)	11 (2)	0 (0)
Gastrointestinal Problems (Abdominal Pain, Gastroenteritis, Vomiting,Diarrhoea)	3 (1)	3 (1)	0 (0)
Injury, Fracture	31 (1)	0 (0)	31 (1)
Other Known Causes – Not Elsewhere Classified, E.g. Malaise, Poorly	49 (2)	1 (1)	48 (1)
Skin Disorders	1 (1)	1 (1)	0 (0)

### Part 3 – Sickness Absence Summary

Absence				
Days Lost/Trigger by Directorate 01/04/2016 – 31/08/2016				
	Average FTE Days Lost	Total FTE Days Sick	Short Term Average	Long Term Average
STaR	3.92	95	0.57	2.82

This page is intentionally left blank



**Report to:** STAR Joint Committee  
**Date:** 18<sup>th</sup> October 2016  
**Report for:** Review and Discussion  
**Report of:** Business Improvement Manager

**Report Title**

**STAR Risk Register**

**Purpose**

The purpose of this report is to:

- Provide an update on the Corporate Risk Register for STAR Procurement
- Advise Joint Committee members of movement in risk items
- Advise Joint Committee members of any new risk items added to the register, or risks proposed to be removed from the register

**Recommendations**

- Joint Committee notes the content of the Risk Register provided and approves the changes highlighted in this report

**Contact person for access to background papers and further information:**

Name: Mark Pearson Phone 07875 635562

**Background**

Financial Impact:	None
Legal Impact:	None
Human Resources Impact:	None
Asset Management Impact:	None
E-Government Impact:	None
Risk Management Impact:	Subject matter of the report comprises the quarterly risk management status for STAR Procurement
Health and Safety Impact:	None

## **Consultation**

No public consultation required

## **Reasons for Recommendation(s)**

The risk register is issued for information and the Joint Committee is asked to note its contents. The Joint Committee will be able to query any aspect of the risk register during the course of the Joint Committee Meeting

### **1. Summary**

- 1.1 In the period, three risks have been downgraded, one risk has been upgraded and it is proposed that five risks are deleted

### **2. Downgraded Risks**

- 2.1 Following the quarterly review of the risk register, STAR Procurement has downgraded three risks. This reflects the maturity of the organisation and the work that has been undertaken to embed business as usual into many of the processes undertaken. The downgraded risks are:

2.1.1 F005 - Balance of cost savings with 'local agenda'

Delivery of the "local agenda" is not proving to have an impact on the delivery of cost savings. The balance between cost, quality and social value is specific to each procurement exercise

2.1.2 F010 - STAR Procurement income generation target

STAR is ahead of programme for meeting income generation targets for 2016-17

2.1.3 P009 - Legislation changes impacting on the Service

The increase in partnership working has led to an improved early-warning system for legislation changes

### **3. Upgraded Risks**

- 3.1 P011 - Release of inappropriate freedom of information data

As a result of ongoing scrutiny and the flow of FOI requests, it is considered that the impact of this risk occurrence should be increased from 2 to 3; the probability of risk occurrence remains low, due to the procedures in place across each Council to act as checks prior to information release

## **4. Deleted Risks**

4.1 Following the quarterly review of the risk register, STAR Procurement considers that the following risks have been fully mitigated:

4.1.1 C010 – Delivering communication promises

STAR website is fully operational and the proposed quality management system is being prepared and the risk has been mitigated further by inclusion in the STAR Business Plan

4.1.2 S047 – Performance of the new Chest portal

The new Chest portal has been operational for 12 months and supplier performance has improved significantly. In addition, STAR is participating in a regional contract management group with Due North and also contributing to product development

4.1.3 C009 – Standardisation of documentation

A range of standard documentation has been rolled-out across the three Councils; the harmonized CPRs have been reviewed and updated for Trafford and Rochdale. A report has been issued to Stockport's Monitoring Officer to identify mitigation in the interim period until Stockport conducts a whole-constitution review in 2017

4.1.4 P010 – New data capture process

The new data capture reporting structures have been working in practice for six months and have proved to be reliable

4.1.5 S046 – ICT systems across each STAR Council

The procedures in place which afford STAR Procurement access to each STAR Council system and allow the team to work across each Council location are in place and work to afford the necessary access required

## **5. Recommendations**

5.1 It is recommended that the STAR Procurement Joint Committee notes the content of the Risk Register provided and approves the changes highlighted in this report

**Appendix 1: STAR Risk Register**



Risk Register

Revision: 10

Issue Date: 18 October 2016

Document Owner: Mark Pearson, Business Improvement Manager

Summary				Risk Description & Impact				Preventative Actions	
ID	Date Raised	Status	Type	Description of risk / impact	Prob (1-3)	Impact (1-3)	Score (P x I)	Mitigating actions / Countermeasures	Risk Owner
F009	17 Sep 14	On going	Finance	Do not identify and deliver enough savings opportunities	2	3	6	STAR Procurement allocates savings under three headings - Contract Renewal Savings; Targeted Budget Reduction; and New Savings Opportunities. STAR has agreed with each Authority, the savings target for 2016-17. STAR is now in receipt of further financial data from each Authority which will enable it to identify cost savings in furtherance of targets set	HoSPs / CMs
P003	17 Sep 14	On going	Process & Resources	STAR Procurement Contract Register does not include all contracting activity	3	2	6	STAR is working with Finance Teams across the three Councils to analyse spend data so that non compliant spend can be identified and addressed	HoSPs / CMs
P008	30 Sep 15	On going	Process & Resources	Ability to recruit and retain suitably qualified staff at all levels	2	3	6	The recruitment process has commenced to replace the DoP and will take the same approach as the previous DoP recruitment exercise. An interim and delegation plan to cover all responsibilities of the DoP is now complete and agreed by the Board. It has been prepared by the outgoing DoP with the help of SMT. SMT is now fully staffed and the DoP and SMT are confident that these arrangements will suffice. Further the outgoing DoP has agreed to return for 3 days (as directed by the Board) to provide support, guidance information to SMT and the new DoP. STAR has implemented a training programme for its Trainee Procurement Officers (TPOs) to assist their transition into Procurement Officers, Category Managers and beyond. In house and external training course provision ensures officers maintain CPD and assist in maintaining STAR Procurement's intention to be an employer of choice. We also need to do an analysis of key roles where skills are limited to key individuals and ensure that such risks are mitigated e.g. data analysis	DoP / HoSPs / BIM
F005	17 Sep 14	On going	Finance	Not able to balance cost savings against "local agenda" aspirations	2	2	4	Market engagement with local and sub-regional suppliers has increased, to connect with companies capable of providing services to the STAR Authorities from within the localities. STAR is working to deliver the procurement strategy, which involves upskilling local supply chains to engage successfully in the procurement process. STAR continues to give training to Commissioners in respect of Social Value and the GMCA Social Value policy. STAR Authorities need to consider what specific Social Value requirements they require in their localities, to inform both STAR Procurement and individual Commissioners for the pre-procurement process	DoP / STAR Team
C007	17 Sep 14	On going	Comms	STAR Procurement fails to consider the corporate priorities of each of the three STAR Authorities when carrying out procurement	1	3	3	STAR Procurement has captured the three Authorities' corporate priorities in its new Business Plan and these requirements will be embedded in the team's approach to procurement for each Authority. STAR Board to continue to advise any change in corporate priorities when identified by each Authority's Corporate Management Team, to ensure that STAR Procurement remains informed of any change in priorities	DoP / HoSPs / CMs
C010	7 Jan 16	On going	Comms	Reputational impact of not delivering promises; e.g. Availability of website, responsiveness and following processes	1	3	3	STAR Procurement launched its website in February 2016 and this acts as a central communications resource together with the STAR Twitter account. The website contains information for Buyers within each Authority, held in a secure area, which is regularly updated, replacing information previously uploaded to individual Authority intranet sites. The STAR Procurement Business Plan 2016-17 details the introduction of a Quality Management System for STAR Procurement	BIM / HoSPs
F008	17 Sep 14	On going	Finance	Not able to achieve targets	1	3	3	Monthly verification of savings between HoSPs and each Authority Finance Teams continue to provide savings certainty. Key Performance Indicators for 2016-17 and the Balanced Scorecard have been agreed with both STAR Board and Joint Committee. In addition, a series of Management Indicators for SMT and STAR Board have been developed	DoP / HoSPs / CMs
P007	30 Sep 15	On going	Process & Resources	Future partner integration impacts on STAR Procurement ability to deliver to existing Authorities	1	3	3	STAR Procurement has identified resourcing, governance and financial impacts of proposed new Partner organisation; HoSP (Professional) has separately identified risks and is managing a separate partner-specific risk register. Joint Committee retains ultimate decision-making powers in respect of any new partners	DoP / HoSPs / BIM

Page 16

Summary				Risk Description & Impact				Preventative Actions	
ID	Date Raised	Status	Type	Description of risk / impact	Prob (1-3)	Impact (1-3)	Score (P x I)	Mitigating actions / Countermeasures	Risk Owner
P011	20 Jun 16	New	Process & Resources	Release of inappropriate freedom of information data. Bidders and potential bidders often request information from tenders to competitors which may compromise both the originating tenderer and the Council's ability to ensure competitiveness in future tender exercises	1	3	3	Tender submissions are stored securely on the Councils' eProcurement Portal (The Chest) and are not accessible by tenderers. FOI requests for release of such information are reviewed by the Director of Procurement and the relevant Council's STAR Board Member (or authorised representative) prior to release of such information to the relevant Council's FOI team. In addition, STAR maintains strong links with the Information Governance Teams in each Council and, with the assistance of STAR Legal, continues to review case law governing this matter	BIM
SO47	16 Mar 15	On going	Systems & Tools	Risk of performance issues arising from a change of procurement portal following AGMA re-procurement of The Chest portal in 2015	1	3	3	The Chest (NW England Procurement Portal) has been rolled-out across all participating Authorities. The AGMA Procurement Hub continues to work with Proactis, owners of Due North (the provider of the portal) to resolve user issues. The AGMA lead has confirmed that their performance is improving and development milestones are being met. STAR Procurement is working closely with the AGMA Procurement Hub to manage both expectations and quality of product	AGMA
P006	17 Sep 14	On going	Comms	Services/Commissioners across the three STAR Authorities do not engage fully with STAR Procurement, limiting ability to deliver against KPIs	1	2	2	HoSPs are refreshing the communications plan regarding senior stakeholders across the STAR Authorities; Category Managers continue to engage with Commissioners to ensure visibility of STAR Procurement at officer level within the STAR Authorities. Spend analysis will help identify off contract spend	HoSPs / CMs
C009	17 Sep 14	On going	Comms	Standardisation of documentation and processes across the three STAR Authorities and STAR Procurement	1	2	2	Business Improvement Manager is leading a new Standards Group comprising BI and Procurement Officers; this is reviewing all requirements for standardised documentation and processes. STAR Legal has provided new legal documentation, including aligned terms and conditions for use across all three Authorities. STAR continues to liaise with Client leads from all three Authorities to determine further priorities and timescales for implementation	BIM
F010	7 Jan 16	On going	Finance	STAR Procurement is not able to deliver against the income generation target	1	2	2	STAR Procurement has reviewed all Service Level Agreements (SLAs) in place with existing partner organisations and is introducing quarterly reporting to those partner organisations, demonstrating value derived. STAR Procurement is also discussing with other Authorities, the STAR 'offer' with the intention of widening participation in this shared service	DoP / HoSPs
P009	7 Jan 16	On going	Process & Resources	Changes in legislation impacting on both procurement and local authorities	1	2	2	Horizon scanning to plan policies and strategies in advance. Liaison with regional partners and stakeholders to ensure parity of approach and shared learning. Incorporation of best practice from UK Government and Local Government Association advice, policy notes, codes of practice and Regulations	DoP / HoSPs / BIM
P010	21 Apr 16	On going	Process & Resources	New data capture and reporting systems	1	2	2	HoSPs to ensure continuous review of statistics from new reporting to ensure that new systems are adopted, updated and provide the required reporting solutions	HoSPs
S046	17 Sep 14	On going	Systems & Tools	ICT systems prohibit / constrain STAR Procurement from working across the three STAR Authorities	1	2	2	Access, via VPN, to both Rochdale and Stockport systems has now been arranged and the STAR Procurement team have the ability to access the intranets, printing, scanning and room booking systems of each Authority	BIM

KEY:

- = New Risk Added
- = Downgraded Risk
- = Upgraded Risk
- Text = Risk to be removed

- DoP** = Director of Procurement
- HoSPs** = Heads of Strategic Procurement (People, Place, Professional)
- CMs** = Category Managers
- BIM** = Business Improvement Manager
- AGMA** = AGMA Procurement Hub

This page is intentionally left blank

**Report to:** STAR Joint Committee  
**Date:** 18<sup>th</sup> October 2016  
**Report for:** For Discussion & Information  
**Report of:** Head of Strategic Procurement

**Report Title**

**STAR Business Plan Action Plan – Q2 Update**

**Summary**

The purpose of this report is to:

- Provide an update on progress made to the end of Q2 on the Action Plan that supports the delivery of the STAR Business Plan 2016/17

**Recommendations**

The recommendation of this report is that the STAR Board:

- Note the progress made to the end of Q2 on the Action Plan that supports the delivery of the STAR Business Plan 2016/17

**Contact person for access to background papers and further information:**

Name: Nichola Cooke  
 Phone: 07711 454555

**Background**

Financial Impact:	None
Legal Impact:	None
Human Resources Impact:	None
Asset Management Impact:	None
E-Government Impact:	None
Risk Management Impact:	None
Health and Safety Impact:	None

## **Consultation**

No public consultation required

## **Reasons for Recommendation(s)**

The STAR Business Plan 2016/17 sets out the strategic direction and priorities for procurement for the participating partners of STAR. The Action Plan is an ambitious plan to help us deliver these priorities and this report provides an update on progress to date.

## **Contact person for access to background papers and further information:**

Name: Nichola Cooke  
Phone: 07711 454555

### **1. Background**

1.1 The STAR Business Plan 2016/17 sets out the strategic direction and priorities for procurement for the participating partners of STAR. This is our first Business Plan for STAR Procurement and is an indication of how we are now establishing ourselves as a proactive service that is planning for the future. The Business Plan was launched in July 2016 following approval by STAR Joint Committee.

### **2. STAR Business Plan Action Plan Progress Report**

2.1 The Business Plan Action Plan is an ambitious plan as to how we are going to deliver the vision and objectives of the Business Plan 2016/17. The action plan is used by STAR SMT to monitor progress, maintain momentum and focus so that we are able to achieve the best possible results for STAR, Partner Councils, Clients and the boroughs which we serve.

2.2 Given the detailed nature of the action plan it is available to internal stakeholders only.

2.3 The action plan lists actions required, an associated implementation plan, key milestones and a lead identified. The action plan is reviewed on a quarterly basis to ensure that momentum is maintained and to ensure it remains relevant and appropriate. The Business Plan Action Plan has been used to inform the PDR process and actions are aligned to objectives for all members of STAR SMT.



- 2.4 A Q2 review has been undertaken and the progress to date for each action is set out in the Action Plan at Appendix 1.
- 2.5 Progress to date has been significant with a majority of actions for Q1, 2 and 3 either complete or well underway. Priorities have been identified for Q3.
- 2.6 However the programme of action has been challenging, especially given the fact that the third Head of Strategic Procurement post has been vacant. In addition, the fact that the current DoP is leaving has meant that activities associated with interim planning and the recruitment process has impacted on progress in certain areas.
  - 2.6.1 Where targets against the specified time plan have not been achieved this is highlighted in red and additional focus will be provide in Q3 to ensure that the Business Plan objectives are achieved.
  - 2.6.2 The actions have been led by STAR SMT but with involvement of the entire STAR team. STAR SMT has been constrained due to the vacancy at Head of Strategic Procurement but it is a real positive that the STAR Business Plan Action Plan is still being delivered alongside the day to day management responsibilities.

### **3 Next Steps**

- 3.1 The STAR Business Plan Action Plan highlights the priorities for Q3 and Q4. Quarterly review meetings are scheduled for the end of each Quarter.
- 3.2 It is anticipated that during Quarter 4, the Business Plan for 2017/18 will be developed in conjunction with the new Director of Procurement and the wider STAR Team.

### **4. Recommendations**

- 4.1 It is recommended that:
  - 4.1.1 Note the progress made to the end of Q2 on the Action Plan that supports the delivery of the STAR Business Plan 2016/17



**Report to:** STAR Joint Committee  
**Date:** 18<sup>th</sup> October 2016  
**Report for:** For Discussion and decision  
**Report of:** Business Improvement Manager

**Report Title**

**Quality Management System Update**

**Summary**

The purpose of this report is to update the Joint Committee on the establishment of a Quality Management System (QMS) for STAR Procurement and to invite discussion and comment

**Recommendations**

The recommendation of this report is that the Joint Committee:

- Notes the contents of the report
- Ratifies the proposed STAR Procurement Quality Policy Statement
- Provides comment on any aspect which it would like STAR Procurement to consider when finalising its QMS

**Contact person for access to background papers and further information:**

Name: Mark Pearson  
Phone: 07875 635562

## **Background**

Financial Impact:	None
Legal Impact:	None
Human Resources Impact:	None
Asset Management Impact:	None
E-Government Impact:	None
Risk Management Impact:	None
Health and Safety Impact:	None

## **Consultation**

No public consultation required

### **1. Introduction**

- 1.1 Introduction of a QMS for STAR Procurement was set out in the Business Plan 2016-17, approved by the Joint Committee at the July meeting
- 1.2 The QMS is currently in development and this report seeks to update the Joint Committee on its structure and timescale for implementation
- 1.3 The QMS will document processes and procedures that STAR Procurement will follow in order to consistently provide a good quality service. It will also aid the induction process for new recruits and provide a reference point for team members when reviewing their own training and development needs
- 1.4 The development of the quality system supports STAR's ethos of continuous improvement and was initiated in response to customer satisfaction data which demonstrated that the quality and content of our service delivery could vary. The quality system will allow us to ensure that we consistently provide good or very good service. Further it will strengthen the STAR brand, promoting the service with potential new partners and commercial clients
- 1.5 The ability for STAR Procurement to define its own QMS demonstrates the maturity that STAR Procurement has reached; we believe it will be the only Local Government procurement organisation within the region to have this level of quality assurance
- 1.6 Whilst it is not STAR's intention to seek formal ISO 9001 accreditation, the proposed QMS is based on the foundations set out in ISO 9001 with respect to quality assurance and quality improvement

- 1.7 The QMS will be subject to continuous improvement. As such , the processes, templates, guides and reference points contained within the QMS will be subject to ongoing review
- 1.8 Whilst the main structure of the QMS will remain static, subject only to annual review, the processes, templates, guides and reference points will be reviewed, improved and removed as required to meet the business requirements of STAR Procurement, the STAR Councils and partner organisations

## **2. Quality Policy**

- 2.1 STAR proposes a Quality Policy Statement, to be signed by each member of the Joint Committee. The wording of is Statement is provided in Appendix 1
- 2.2 It is important that the QMS can been seen to be supported at the highest level within the organisation and it is usual for quality policy statements to be signed by those able to set direction within an organisation
- 2.3 The Joint Committee is asked to ratify the proposed wording, suggesting amendments where considered appropriate

## **3. Structure of the QMS**

- 2.4 The QMS will comprise a manual which will be subject to annual review by the Senior Management Team, together with a series of procedures (process maps & work instructions), templates, guides and reference points
- 2.5 The QMS manual will contain the following:
  - 2.5.1 Introduction
  - 2.5.2 Quality policy
  - 2.5.3 Roles and responsibilities
  - 2.5.4 Stakeholders
  - 2.5.5 Quality reporting
  - 2.5.6 Annual auditing
  - 2.5.7 Training
  - 2.5.8 Document control, updates and review

- 2.6 The QMS procedures, templates and guidance will be broadly arranged as follows:
- 2.6.1 Operating procedures – technical
  - 2.6.2 Operating procedures – administrative
  - 2.6.3 Operating procedures – reporting
  - 2.6.4 Template documents & forms
  - 2.6.5 Guidance documents
  - 2.6.6 Internal reference points
  - 2.6.7 External reference points
- 2.7 It is intended that the QMS will be held in electronic form on the STAR Procurement shared drive. A copy of the QMS manual, together with all relevant procedures, templates and guides will be uploaded to the Buyer area of the STAR Procurement website, for access by colleagues in the services across all Councils and partner organisations that we support. Information contained in the QMS relating to supplier support will be made available on the Supplier area of the website, including a copy of the QMS itself

#### **4. Timescales for implementation**

- 3.1 It is STAR's intention to launch the QMS across the organisation and on the STAR website on its third anniversary, at the beginning of February 2017.
- 3.2 The development of the QMS is currently ahead of the programme identified in the STAR Procurement 2016-7 Business Plan. The timescale from the end of September 2016 to the beginning of February 2017 briefly comprises the following milestones
- 3.3 Completion of the QMS manual by 31<sup>st</sup> October 2016. The manual will identify all procedures, templates, guides and reference points which will comprise the initial QMS
- 3.4 Completion of first tranche of procedures, templates, guides and reference points by 6<sup>th</sup> January 2017. STAR Procurement will concentrate on those procedures, templates and guides which are to be shared with Buyers and Suppliers on its website

- 3.5 Completed QMS with all procedures, templates, guides and reference points fully documented by 1<sup>st</sup> February 2017, noting that the QMS will be an organic system which will continue to be evolutionary and will grow/develop as STAR and its customers grow and develops

## **5. Recommendations**

- 4.1 It is recommended that:

- 4.1.1 The Joint Committee notes the contents of the report
- 4.1.2 The Joint Committee ratifies the proposed STAR Procurement Quality Policy Statement provided at Appendix A
- 4.1.3 The Joint Committee comments on any aspect which it would like STAR Procurement to consider when finalising its Quality Management System

## **Report Appendices**

1. Proposed STAR Procurement Quality Policy Statement

## **Appendix 1 Proposed STAR Procurement Quality Policy Statement**

STAR Procurement recognises the importance of providing a quality strategic procurement service to the STAR Councils, their participating partner organisations and third parties which contract with STAR Procurement for the provision of its services. STAR Procurement also recognises the importance of providing a quality experience for all stakeholders who interact with the organisation.

STAR Procurement has developed a Quality Management System, defining a set of procedures to be applied across all of its services, providing assurance that:

- Resilience is provided and risk is addressed
- procurement best practice is captured
- its stakeholders' requirements have been fully understood and met
- all operations are carried out in a consistent, professional manner and to a defined standard
- it has the skills and resources to fulfil its stakeholder's requirements
- its staff are fully trained and involved in continuous improvement
- a professional approach is taken to stakeholder interaction at all times, delivering a quality service to maintain excellent stakeholder relationships
- complaints are dealt with efficiently, within an acceptable time period
- an audit procedure can ensure that STAR Procurement operates in accordance with its Quality Management System.

To achieve and maintain the required level of assurance the Director of Procurement retains responsibility for the Quality Management System, with routine operation controlled by the Business Improvement Manager. Each member of the STAR Procurement service is empowered and expected to be responsible for the quality of their work, resulting in a continually improving service.

The STAR Procurement Joint Committee endorses this Quality Policy Statement and the STAR Quality Management System.

.....  
**Cllr David Sedgwick**  
Stockport Council

.....  
**Cllr Patrick Myers**  
Trafford Council

.....  
**Cllr Allen Brett**  
Rochdale Council



**Report to:** STAR Joint Committee  
**Date:** 18<sup>th</sup> October July 2016  
**Report for:** Information  
**Report of:** Head of Strategic Procurement

### **Report Title**

**Q2 Balanced Scorecard**

### **Purpose**

The purpose of this report is to:

- Provide a summary of the performance at quarter two

### **Recommendations**

- For Information

Contact person for access to background papers and further information:

Name: Elizabeth McKenna

Phone 07811983687

#### **1. Compliance**

1.1 The compliance position for Q2 has improved against Q1 with a 1% shortfall against the target. It is anticipated that this will be recovered in Q3.

#### **2 Finance**

2.1 The savings delivered is on target however many of the savings are back end loaded and are to be delivered in Q3 and Q4. It is essential that there is continued focus in this area.

#### **3 Social Value (SV)**

3.1 S2 target (% of tender exercises resulting in Social Value KPIs) is being achieved and over delivered however S1 (Number of local employment opportunities created as defined in GMCA Social Value Policy) is still proving to be a challenge. The performance measurement data demonstrates that whilst procurement documentation requests bidders to provide SV commitments regarding employment and training, the responses from bidders

are not delivering our ambitions. There was some discussion at the last meeting as to whether the target is reasonable but the consensus from STAR SMT is that at this point it should be retained. Rather, operational practice needs to be focussed during pre-procurement to ensure the market understands what is expected and is able to deliver.

#### **4 Performance**

4.1 Performance targets regarding customer satisfaction continue to be achieved. All dissatisfied clients are contacted directly by a member of SMT to understand, learn from and where necessary take action on the issues raised. There is a consistent number of responses (12%) which indicate "neither agree or disagree". Further analysis of this data will be carried out in Q3

#### **5 Summary**

5.1 The final position reflects an improvement for Q1 and demonstrates the areas which require further focus on improvement.



This page is intentionally left blank