



Report to: STAR Joint Committee
Date: 17th June 2020
Report for: Information & discussion
Report from: Nichola Cooke, Assistant Director

Report Title

5-STAR 2019/20 Q3 & Q4 Progress Report and Proposed 20/21 5 STAR Measures

Summary

The purpose of this report is to:

- Inform STAR Joint Committee the Quarter 3 & 4 performance measures of STAR Procurement
- Recommend the 5 STAR Key Performance Measures for 20/21 for decision
- Inform definitions of savings

Recommendations

The recommendation of this report is that the STAR Board:

- Note the content of the report and discuss the performance to the end of Quarter 3 & 4 for 2019/20
- To agree the proposal for the new 5 STAR Measures for 20/21
- To note the definition of savings

Contact person for access to background papers and further information:

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Background

Financial Impact:	Savings secured
Legal Impact:	No legal challenges to report
Human Resources Impact:	None
Asset Management Impact:	None
E-Government Impact:	None
Risk Management Impact:	No significant risks to report

Health and Safety Impact:	None
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Consultation

No public consultation required

1. 5-STAR Q3 & 4 KPI Progress Report 19/20

Measure	Q1	Q2	Q3	Q4	RAG Rating	Comments	Annual Target
Commercial							
Ratified Savings	£1,278,335	£3,691,224	£4,997,628	£5,024,958 £1,901,333 awaiting ratification		A majority of the Q4 savings are awaiting ratification due to resource availability within Council finance teams	Year £5,200,000
Income secured	£59,800	£144,559	£315,703	£287,339		Exceeded target Slight decrease from Q3 due to delays from GMCA on their projects.	Year £150,000 -
Communities							
Average Social Value weighting (above £25k and below OJEU limits)	15%	17%	20%	18.4%		Close to achieving target. Q4 figure non-cumulative figure was 20%, showing this target is now being achieved.	20%
Average Social Value weighting (above OJEU limits)	14%	13.8%	20%	15.9%		Achieved target. Q4 figure non-cumulative figure was 20%.	15%
% of contracts let with a Social Value KPI	57%	53.6%	60%	79.6%		Exceeded target	75%
Compliance							
Number of legal challenges	0	0	0	0		Target achieved	0

2. 5 STAR Q3 & 4 Procurement Worth Progress Report

Measure	Q1 Figures & comments	Q2 Figures & comments	Q3 Figures & comments	Q4 Figures & comments
Commercial				
Non ratified savings	£ £32,281	£ 41,920	£ 41,920	£41,920
Cost avoidance savings	£222,667	£222,667	£725,831	£754,552
Procurement activity	54 contracts started in Q1 (including exemptions)	178 contracts started in Qs 1 & 2	253 contracts started in Qs 1-3	364 contracts started in 2019-20
Communities				
Employment opportunities	7 local employment opportunities worth circa £87,500	22 local employment opportunities worth circa £275,000	340.35 local employment opportunities worth circa £4,254,375	363.5 local employment opportunities worth circa £4,543,750
Apprentice and training opportunities	2 apprenticeship and training opportunities worth circa £13,600	43 apprenticeship and training opportunities worth circa £292,400	93 apprenticeship and training opportunities worth circa £632,400	126 apprenticeship and training opportunities worth circa £856,800
TOMs achieved through procurement	Quarter 3			
	Measure		Q3 figures (accumulative)	
	No. of tenders awarded through the SV portal:		51	
	No. of GM Suppliers Awarded Contract		21	
	% No. of GM Suppliers Awarded Contract		50%	
	No. of tenders through the SV portal (Live and complete):		175	
	Total contract values awarded through the portal:		£80,993,099	
	Total committed/unlocked SV:		£22,251,487	
	Social Value Target Against Contract Value (%)		27.47%	
No. supplier organisations engaged with (bidders):		444		

	No. local Bidders		166	
	% Local Bidders		37.38%	
	No. Local VCSE Bidders		30	
	No. VCSE Bidders		59	
Quarter 4				
	Measure		Q4 figures (accumulative)	
	No. of tenders awarded through the SV portal:		62	
	No. of GM Suppliers Awarded Contract		30	
	% No. of GM Suppliers Awarded Contract		57.2%	
	No. of tenders through the SV portal (Live and complete):		184	
	Total contract values awarded through the portal:		£126,994,688.	
	Total committed/unlocked SV:		£31,179,554.10	
	Social Value Target Against Contract Value (%)		24.6%	
	No. supplier organisations engaged with (bidders):		480	
	No. local Bidders		175	
	% Local Bidders		36.5%	
	No. social enterprise Bidders		3	
	No. voluntary/charity/community groups Bidders		27	
	No. VCSE Bidders		62	
Collaboration				
Number of SLAs	4 SLA's secured: - Shared Service Review for Basildon Council through LGA Shared Service Expert Programme - NW Libraries Consortium (Until	Fulfilled SLAs: 2: • Stockport Council, For: NW Libraries Consortium (ended Aug 2019) • Basildon Additional Secured SLAs: 5: • TLC	Fulfilled SLA: 3 • Mortuary & Pathology Review: Sandwell & Birmingham Councils • Healthy Schools: GMHSCP • Parking Review: Tameside Council	Fulfilled SLA: 3 • Procurement Services: Castleton Primary School • GM SUN: GMHSCP • Digital Skills: GMCA x 2 Additional Secured SLAs: 2 • Trafford CCG Renewal

	<p>August 2019)</p> <ul style="list-style-type: none"> - GM Health & Social Care Partnership – Healthy Schools - Totally Local Company 	<ul style="list-style-type: none"> • GMHSCP • Sandwell Council • GMCA x 2 <p>Total SLAs (Fulfilled + Additional): 7</p> <p>SLAs currently in discussion: 3:</p> <ul style="list-style-type: none"> • GMCA x 1 • Tameside CCG • Rochdale CCG 	<p>Additional Secured SLAs: 2</p> <ul style="list-style-type: none"> • GM SUN: GMHSCP • AEB ESF Funding: GMCA <p>In Progress SLAs: 4</p> <ul style="list-style-type: none"> • Digital Skills: GMCA x 2 • Castleton Primary School • TLC <p>Total SLAs (Fulfilled, In Progress, + Additional for year): 11</p> <p>SLAs agreed, awaiting sig: 1</p> <ul style="list-style-type: none"> • Tameside CCG <p>SLAs currently in discussion: 4</p> <ul style="list-style-type: none"> • Rochdale CCG • A NW Council • GMCA x 2 	<p>20/21</p> <ul style="list-style-type: none"> • Over 50's Employment Project <p>In Progress SLAs: 3</p> <ul style="list-style-type: none"> • AEB ESF Funding GMCA • TLC • Tameside CCG <p>Total SLAs (Fulfilled (8), In Progress (5), for year): 13</p> <p>SLAs currently in discussion: 3</p> <ul style="list-style-type: none"> • GMCA x 2 • Rochdale CCG
Number of live collaborative contracts categorised	<p>35 contracts awarded</p> <p>4 Collaborative</p> <ul style="list-style-type: none"> - 1 STAR Collaboration - 3 Greater Manchester 	<p>57 contracts</p> <ul style="list-style-type: none"> - 20 AGMA - 7 GMCA - 4 Libraries consortium - 18 STAR collaboration - 8 STAR external partner collaboration 	<p>67 contracts</p> <ul style="list-style-type: none"> - 21 AGMA - 11 GMCA - 3 NW Libraries consortium - 25 STAR collaboration - 7 STAR external partner collaboration 	<p>75 contracts</p> <ul style="list-style-type: none"> - 22 AGMA - 12 GMCA - 4- NW Libraries consortium - 28 – STAR collaboration - 9 – STAR external partner collaboration
Compliance				

Number of exemptions and modifications split by service area			See Appendix 2	See Appendix 1 1 COVID related modification for Highway services
Stakeholder training	9 events 127 attendees	16 events with 172 attendees	31 events with 424 attendees	37 events with 541 attendees
CPD STAR team	113 hours of training completed including Collaborative Business Management, GDPR: New data law Protection, communication skills, professional coaching and growing your team	129.5 hours of training completed including freedom of information, exemptions and modifications and suicide prevention	186.5 hours of training completed including EPIC you training, CIPS ethics online test and health and safety in the workplace	122 hours of training completed including legal/governance training and carbon literacy. 551 total hours of training for the year
Champions				
Good news from the month about where we are championing STAR	<p>Our Assistant Director Nichola Cooke took part in a panel discussion on collaboration and presented on Innovation in Procurement at Public Sector Solutions Expo. This then featured in CIPS Supply Management news in June.</p> <p>Nichola and Lorraine also spoke at the GM Commissioning Academy and were very well received.</p>	<p>We received this feedback from Shelley Heckman (Acting Director, I-Network) this quarter: "Honestly, I have to say that our confidence in procurement support is through the roof now that we're supported by STAR."</p> <p>Since STAR came to Tameside, the level of all round procurement advice and support has been phenomenal. Processes have been simplified,</p>	<p>Michael Sellors gave a talk at Bangor University to LL.M. students 'A Day In The Life Of A Procurement Professional'</p> <p>Lorraine presented at the two conferences/events on Social Value</p> <p>Nichola represented STAR at iNetwork's Executive Board.</p> <p>Elizabeth represented STAR at the GM NHS Procurement Board.</p>	<p>STAR were presented with our four star certificate for our shared service through the Collaboration Accreditation Review (CAR).</p> <p>STAR celebrated our 6th birthday on February 6th.</p> <p>Lorraine Cox won the award for Leadership in Social Value at the National Social Value Conference</p> <p>Delivered a well received presentation at the Greater Manchester Chamber event</p>

	Daniel Hart and Natalie McCarthy were complimented by Paul James (Chief Digital officer, Trafford Council) for their work on a Microsoft tender which had very short timescales.	access to expertise is easier,	We received great feedback from numerous providers from the Health and Social Care Partnership at an event recently - Providers were complimentary about Emily and STAR'S approach to market engagement and wished more organisations supported them as we did at the event.	on Social Value in March
Social media reach	49,000 Twitter impressions 17,216 website views 26 company details forms completed this quarter using the new Sharpspring software.	20,200 Twitter impressions 14,944 website views 292 Form submissions on the STAR website generating 233 unique leads	73,200 Twitter impressions 47,410 website views 468 form submissions on the STAR website generating 341 unique leads.	33,000 Twitter impressions 14,034 website views 607 form submissions on the STAR website generating 452 unique leads

3. 5 STAR Measures Proposal for 2020/21

3.1. Each year, STAR Procurement review the 5 STAR Measures to ensure they remain fit for purpose and continue to drive continuous improvement through stretched targets that are relevant to Council priorities.

3.2. 5 STAR Key Performance Measures Proposal 2020/21

Measure	Description	Target
Commercial	Ratified savings to be broken down into: <ul style="list-style-type: none">- Revenue- Capital- Carry Over	£5.6m
	Return on Investment (Revenue)	2
	Income broken down by: <ul style="list-style-type: none">- Long-term SLA- One-off activity	£150k
Communities	Social Value <ul style="list-style-type: none">- Social Value Target Against Contract Value	25%
	Local Spend: <ul style="list-style-type: none">- Local Authority spend as percentage of total controllable spend	50%
Compliance	Verified spend as percentage of total controllable spend	90%

3.3. 5 STAR Procurement Worth Approach

STAR Procurement have reviewed the 'Procurement Worth' measures and whilst the measures are helpful in terms of reporting, there are no specific targets assigned to them. It is therefore proposed that updates on Procurement Worth will be provided through Quarterly reports to each Partner.

4. Reporting Savings & Savings Definition

4.1. An Internal Audit Report on Performance Management provided a recommendation that detailed discussions took place with Senior Finance staff to agree the position for definition of savings and how apportioned over multiple years.

4.2. The following definitions were agreed:

- **Ratified Saving** – cashable or non-cashable saving agreed by finance leads
- **Non-ratified Saving** – STAR believe there is a saving but finance doesn't agree. This is usually the case when it comes to cost avoidance or where there was no initial budget for the contract.

- **Cashable Saving** – where a procurement saving is achieved and can be taken from budget. The decision to remove budget lies with finance leads. The saving is taken from the service budget – there is no separate budget line for STAR savings.
- **Non-cashable Saving** – where procurement saving is achieved but cannot be taken from budget i.e. grant or capital spend
- **Carry Over** – where it is revenue spend and paid throughout the year rather than upfront, the saving needs to be pro-rata between the current finance year and next.

4.3. **Revenue Recurrent Saving** – STAR can currently only claim for one year's saving value as after that the budget should have been cut to reflect the saving made. However, if the contract is over a year, this does not demonstrate the full procurement saving over the lifetime of the contract.

5. Recommendations

It is recommended that STAR Joint Committee:

- Note the content and discuss the performance to the end of Quarter 3 and 4 for 2019/20
- To agree the proposal for the new 5 STAR Measures for 20/21
- Note the definition of savings

Appendix 1: Q4 Number of exemptions and modifications split by service area

Q4	Adults services	Children's services	Public health	Property services	Highways services	ICT	Consultancy	HR & Audit	Other	Total
Exemptions	16	3	8	1	2	11	8	7	28	84
Modifications	22	6	0	5	2	14	0	0	13	62
Totals	38	9	8	6	4	25	8	7	41	143

N.B. The exemptions figures are only for live and completed contracts

Appendix 2: Quarter 3 Number of exemptions and modifications split by service area

Q3	Adults services	Children's services	Public health	Property services	Highways services	ICT	Consultancy	HR & Audit	Other	Total
Exemptions	6	2	8	1	2	9	4	7	18	57
Modifications	19	6	0	3	1	12	0	0	12	53
Totals	25	8	8	4	3	21	4	7	30	110