

| | | | Scope | | Workstreams Status | | | | Budget | |
|-----------------|---|------------------------------|---|---|---|--|---|---|---------------|--------------|
| Workstream Name | Short Workstream Description | Chief Exec Sponsor | Surrey First Strategic Objectives | Workstream Objectives | Key Risks | Key Issues | Status update | Next Milestones | Planned Spend | Actual Spend |
| Procurement | Building on the work of the Surrey Procurement Forum to investigate opportunities to make cashable savings through collaborative procurement. | Julie Fisher Paul Turrell | Significant cashable savings Increased Resilience Foster Innovation | <p>To establish and maintain the databases for baseline spend and contractual arrangements across Surrey.</p> <p>Provide procurement link into other Surrey First initiatives such as Assets, Waste and ICT to co-ordinate procurement activities within those work streams.</p> <p>Identify areas of common procurement spend and leverage opportunities to unlock both cashable and efficiency savings.</p> <p>Assess opportunities to move target spend areas onto existing local, regional and national framework agreements or to undertake Surrey specific procurement projects to unlock cashable savings.</p> <p>Resources - Review the procurement resource and skills available across Surrey to establish optimum allocation of those resources to deliver the above objectives.</p> | <p>Lack of procurement capacity across Surrey.</p> <p>Aligning the varying timelines on contracts - delay opportunities</p> | <p>To establish from latest spend data analysis what Surrey LA's should procure themselves, what they should procure across Surrey together, what they should procure regionally and nationally. Assessing savings against resource constraints for each and impact on local economies.</p> <p>Lack of agreement of what a common approach to an E-Procurement framework should look like.</p> <p>Multi different sources for procurement data, i.e. different financial systems. Mapping suppliers on Spikes Cavell observatory to reflect underlying categories.</p> | <p>Procurement spend data collected for financial year 2009/10, Spikes Cavell 2009-10 data for all Surrey authorities now on database (the "Observatory") facilitating analysis & comparison. The spend analysis 2009/10 data will be used to:</p> <ul style="list-style-type: none"> • prioritise areas for cost reduction - quick /medium/ long term wins • benchmark prices • promote / introduce demand management (to obtain optimum value for money) • identify potential areas for joint working <p>Use will be made of suitable regional buying consortia or national framework agreements (eg Central Buying Consortium (CBC) Eastern Shires Purchasing Organisation (ESPO) Yorkshire Purchasing Organisation (YPO) , Buying Solutions etc to maximise benefits from economies of scale. The use of existing regional buying consortia or national framework agreements should result in quicker implementation of cost reductions (the selection of the appropriate consortium or framework can be problematic as the various buying consortia often duplicate the type of goods and services supplied).</p> <p>Project Briefs outlining approach, timescales and estimated savings have been approved in a number of the previously identified high spend categories:</p> <p>Initial phase 1 savings identified over and above those determined through the other workstreams are £1.3m against the following Phase 1 projects</p> <p>Insurance Postal Services External printers Telecoms Food</p> <p>Further opportunities are in process of being investigated in the following areas:</p> <ul style="list-style-type: none"> • Leisure facilities – brief identifying opportunities in process of construction • Kent Commercial Services – the SPG is seeking to obtain from KCS a breakdown of the supplies the Surrey authorities collectively obtain from them to evaluate any further opportunities • Energy – The Group is seeking to take advantage of the opportunity afforded by Laser seeking to obtain commitment to new 4 year purchasing deals to review whether Laser still represents the best value option <p>Procurement for a replacement Surrey framework contract for cash in transit is now at tender stage. Submission due next week. Appointment scheduled for Jan 11.</p> | <ol style="list-style-type: none"> 1. Construction of detailed, full resourced implementation plans for each agreed 'Phase 1' project. 2. Identification of projects to fall into Phase 2 and construction of Project Briefs for these. 3. Conduct analysis and harmonise terms (based on best existing terms) for common suppliers (quick win) 4. Develop reporting to show progress against savings targets | | |