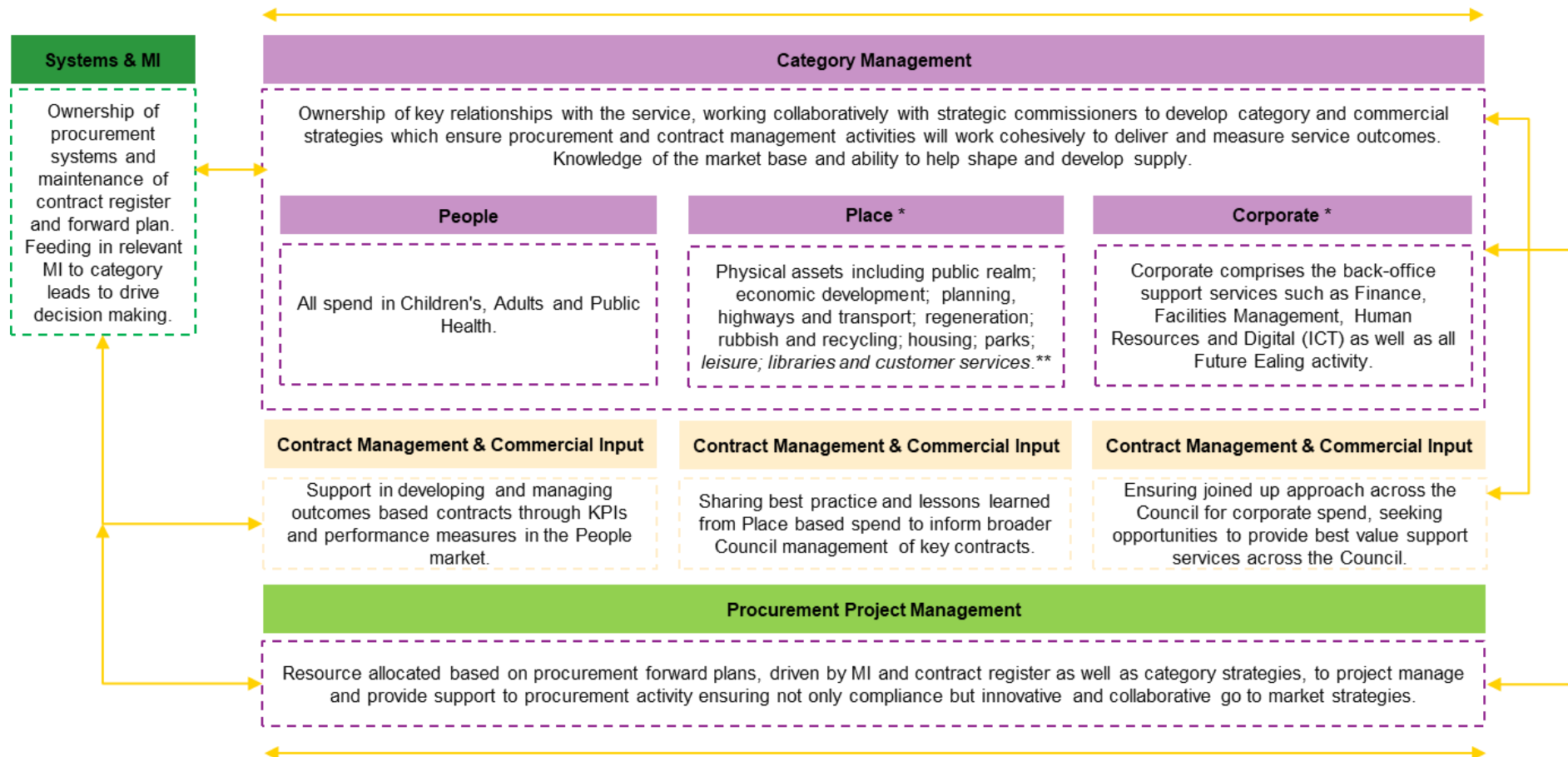


Ealing Council Commercial Hub & Schools Opportunities

Tim Smith - Head of Commercial & Procurement

July 2018

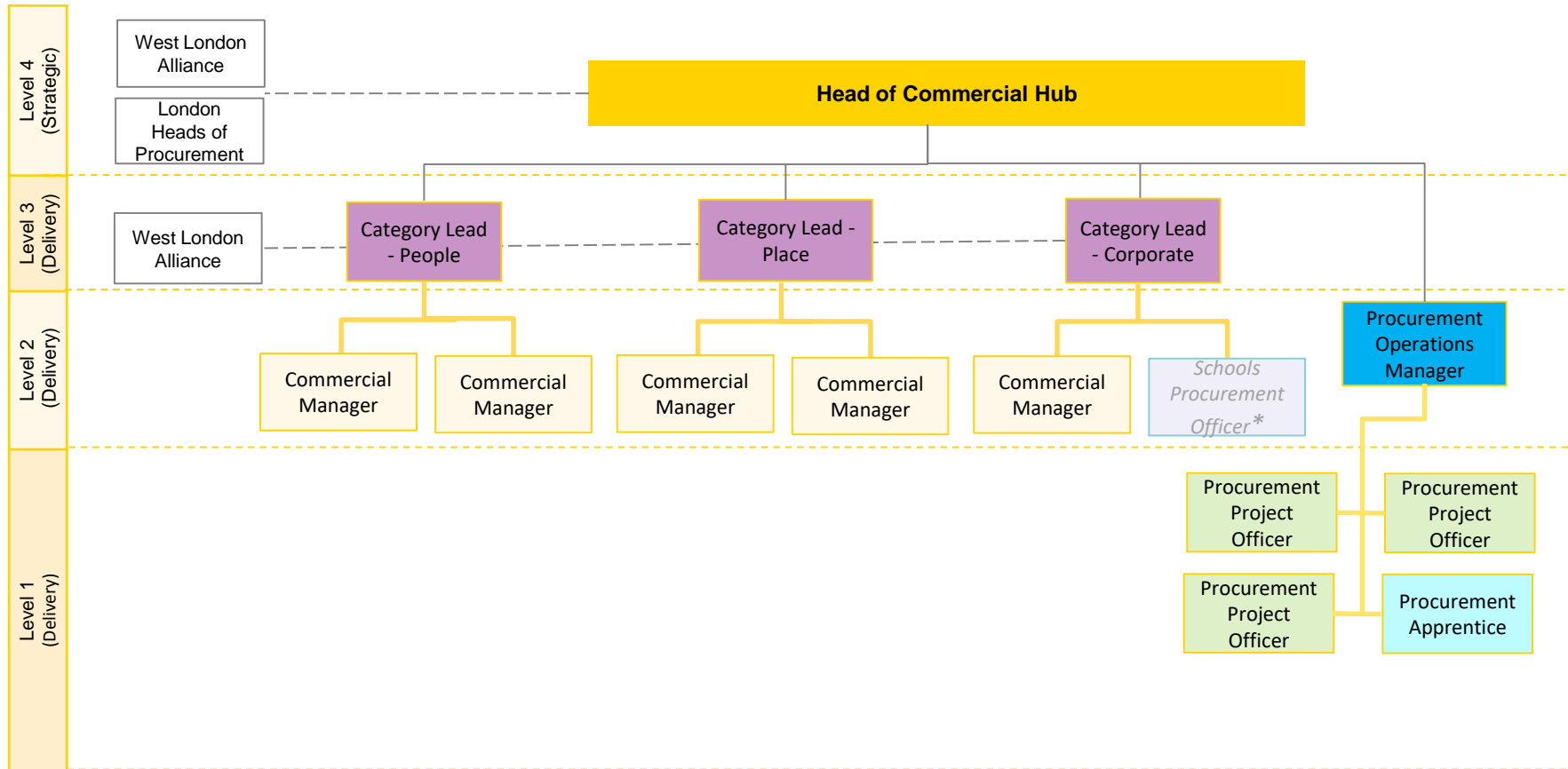
High Level Design of the Hub



Proposed functional activities of the Hub and associated benefits for the Council

	Functional Activities	Benefits of Inclusion
Category Management	<ul style="list-style-type: none"> Setting the overarching procurement strategies through collaboration, engagement and support of departments. Defining and implementing Category Management approaches. Each spend category will be assigned a manager who will be the main point of contact with the directorates and ensure that all category targets are met. Requires close working with the services to understand the desired outcomes as well as a deep knowledge of the market place and trends. Maintaining close working relationships between Procurement and key stakeholders from the departments. 	<ul style="list-style-type: none"> Enables a strategic view of supply markets and services, supporting market development and collaboration. It is estimated that by employing a category management approach to spend organisations can reduce spend by 10 – 20%. Facilitates a holistic view of spend within the centre which will help to reduce silo'd working, enable greater social value and aid the implementation of category and commercial strategies. Ensures that key stakeholders are represented at all times to create a balance between service delivery excellence and commercial excellence.
Procurement Project Management	<ul style="list-style-type: none"> Procurement process & methodology. Defining, implementing and rolling out a strategic sourcing process, including standardised Procurement Governance Process across the organisation. Project Management of OJEU procurements, support to middle tier procurements and visibility of self-serve activities (tiered based on value and complexity). 	<ul style="list-style-type: none"> Standardised governance and processes ensures tighter control and greater visibility of total spend across the council. Supports better use of resource where there is variation in procurement activity levels. Full support around OJEU contracts ensures the council is making informed, risk based commercial and service based decisions in high areas of spend, whilst also operating within relevant regulatory parameters.
Contract Management & Commercial Input	<ul style="list-style-type: none"> Providing guidance on creating and managing KPIs Tracking performance of highest tier contracts and feeding back intel to the service as well as procurement and category leads within the hub to inform future commercial activity Supplier Relationship Management (SRM): Defining, implementing and rolling out a Supplier Relationship Management (SRM) approach across the organisation 	<ul style="list-style-type: none"> By having strategic relationships with suppliers the council can encourage innovative working and continuous improvement, working with the supply place to drive better value for money. As the Council moves away from transactional spend and the supply base is consolidated, remaining suppliers can be tiered by spend / importance and a structure created to determine how they should be managed i.e. governance structures and performance reporting. This enables the Council to be a more intelligent buyer.
Systems & MI	<ul style="list-style-type: none"> Maintaining procurement supporting systems and procurement tools & templates Maintaining contracts register and forward procurement plan and providing analytical support such as spend analysis. Monitoring overall procurement performance and conducting KPI and savings reporting and reporting against procurement plan. 	<ul style="list-style-type: none"> A well designed procurement system sets the foundation from which seamless processes can be constructed as well as providing services with access to high quality 3rd party spend data that can support and drive evidence-based decision making. An end-to-end system allows spend to be monitored through tracking contract baselines and PO compliance as well as adoption of uniform templates and governance across the organisation. Analytics are used to highlight opportunities and trends that would have otherwise been invisible.

Proposed Structure of the Hub



* Potential future position based on request from schools for a post within the Council offering commercial advice which would be funded either by top slice / re-charge / subscription etc.

Key Skills & Experience for each role within the Hub

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Category Lead

- Strong, dynamic leader & manager
- Commissioning, Category Management and Market Shaping
- Supplier Relationship and Contract Management
- Category specific knowledge
- Commercial negotiator
- Stakeholder Relationship Management / Coaching
- Service delivery
- Change Management
- High level of emotional intelligence
- Business Case development
- Financial Management
- Strategic & analytical thinking
- Political awareness
- Public/Private Background
- High level full procurement cycle knowledge
- MCIPS & Relevant Degree



Category Management (incl. Market Shaping)

This component focuses on working with services to both i) understand current needs and market gaps as well as ii) developing market insights and building relationships with suppliers based around the future needs and plans of strategic commissioners. Approaching on a category basis allows service focused experts to seek innovation from the supply base by conducting market research, and support shaping and building the market.

Commercial Managers

- Supplier Relationship and Contract Management
- Commercial negotiator
- Stakeholder Relationship Management / Coaching
- Performance/Quality Management
- Dispute Handling and Resolution
- Strategic thinking
- Contractual development
- Continuous improvement & Change Management
- Risk Management
- Cost/Benefit & Data analysis
- Financial Management
- Good Presentation and Communication skills
- Public/Private Background
- MCIPS / IACCM & Degree / Professional Development



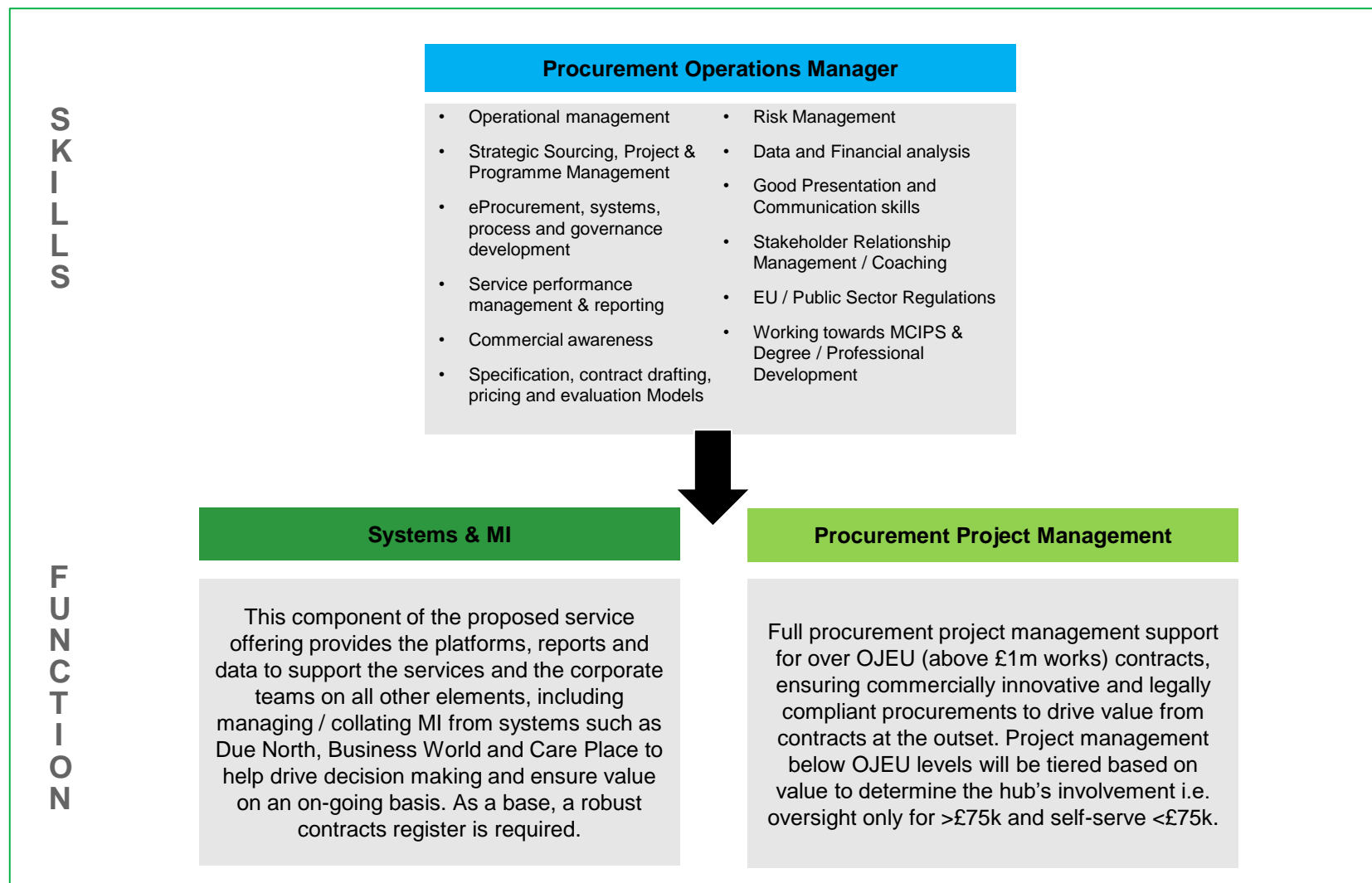
Contract Management & Commercial Input

Contracts will be tiered based on value and complexity and the hub will provide commercial support to the Tier 1 contracts, working in conjunction with the relevant tiers of stakeholders in the services to provide commercial management of contractual relationships e.g. with KPIs and obligation management.

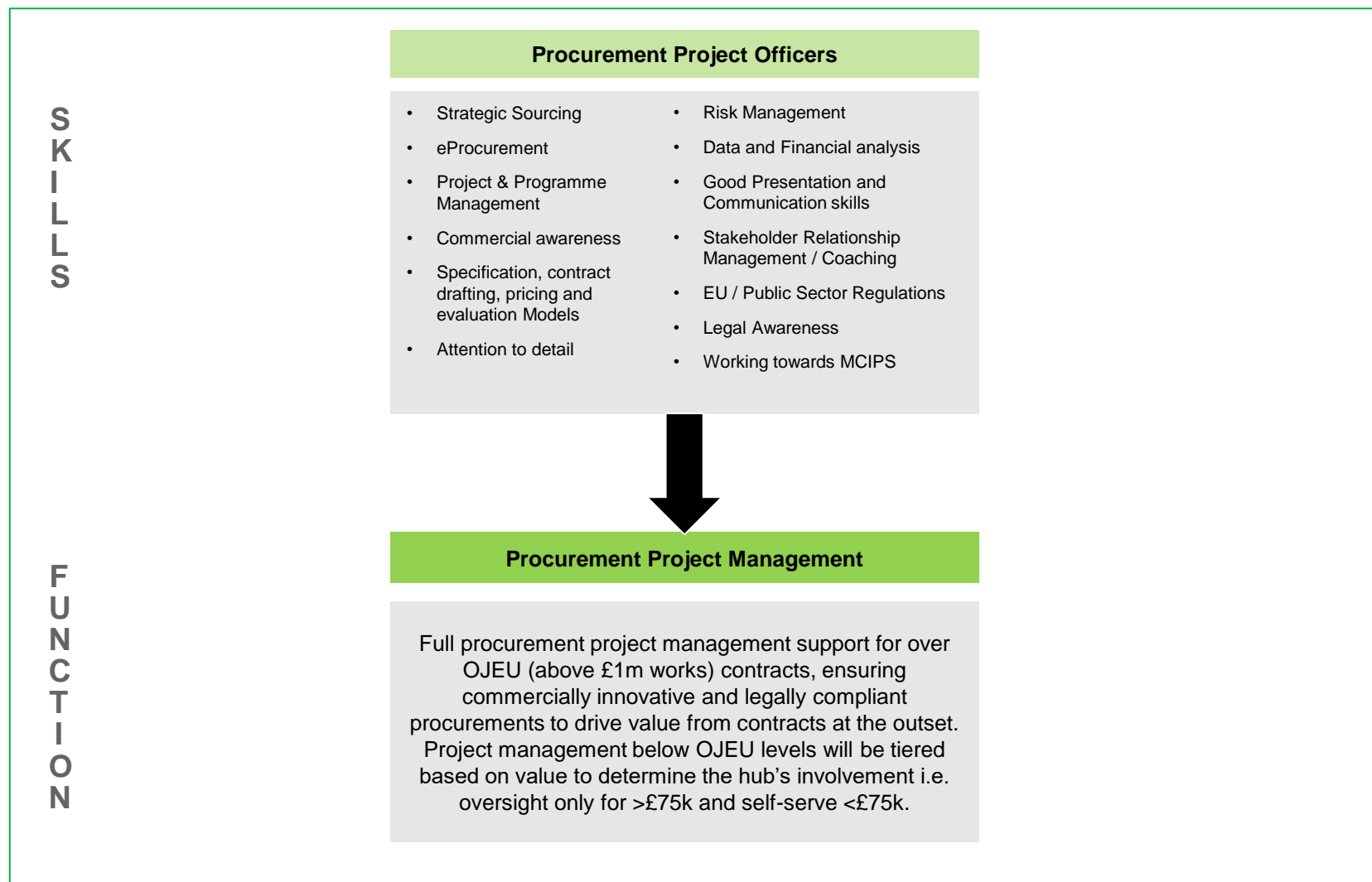
Working with the services in this way on an ongoing basis will help inform future category management and contract commercial strategies

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Key Skills & Experience for each role within the Hub



Key Skills & Experience for each role within the Hub



Schools Category Analysis (16-17 Spend)

Category	Account(T)	Amount 16-17
DIRECT STAFFING		£183,143,087
SUPPLIES & SERVICES		£7,289,926
	ADVERTISING - (EDUCATION) TEACHING	£422,291
	BOOKS	£455,796
	BUILDING IMPROVEMENTS	£2,370,840
	CLEANING CONTRACT	£1,318,896
	CONSULTANTS FEES	£2,260,353
	EQUIP. & MATERIALS (CHILDRENS SERVICE)	£1,651,516
	FOOD & OTHER PROVISIONS	£435,940
	GEN REP.- MECHANICAL	£534,394
	INSURANCE	£1,094,029
	INSURANCE - SICKNESS/MATERNITY	£592,432
	PAYMENT TO CONTRACTORS (EDUCATION ONLY)	£6,107,856
	PHOTOCOPIERS	£878,819
	PRINTING	£513,865
	PUBLIC LIABILITY INSURANCE	£647,640
	RE-DECORATION (INTERNAL)	£439,942
	TEACHING MATERIALS	£955,178
	TRAINING - PET COURSE	£1,399,145
OTHER STAFFING		£16,566,224
AGENCY		£16,501,864
CATERING		£7,137,375
IT		£4,612,229
UTILITIES		£4,196,235
GRAND TOTAL		£271,306,154

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