

## **Crawley, Horsham and Mid Sussex Shared Procurement Service**

### **Extending the Shared Service Arrangement**

#### **Background and Overview**

We have been approached by Mole Valley DC (MVDC) about the potential for them to join Crawley's shared procurement service. The Joint Procurement Board, who govern the shared procurement service, have met with MVDC and have agreed to expand the shared service arrangement to MVDC on a 12-month trial basis.

MVDC currently employ one full time Procurement Officer and have budget provision for an additional qualified member of the team. They wish to explore joining an established procurement service for similar reasons to why the shared service was initially established which include; creating greater capacity and stability of resources, developing staff skills and knowledge, making savings through collaboration and looking to make efficiencies by avoiding duplication.

#### **Current Situation**

The current shared procurement model was created in 2010 and covers Crawley, Horsham and Mid Sussex. It has a proven track record in delivering a substantial programme of procurement processes delivering significant savings to each of the Councils, however, it has suffered with recruitment and retention issues in recent years. This is something that is evident across many local government professional services with many staff favouring the private sector.

The team currently consists of Procurement Manager, a full time fully qualified Procurement Officer and two Project Support Officers who are currently studying towards CIPS. One of the Project Support Officer roles is a two-year fixed term contract with a view to reverting to a Procurement Officer at the end of that two-year period.

The budget for the service is split between the three authorities with Crawley and Horsham paying 35% and Mid Sussex 30% of the total costs.

The team as it stands is vulnerable should one of the two qualified members of the team leave and there is no obvious succession plan in place. In recent years the procurement programme has grown with more and more officers across all three Councils seeking help and support on their procurement projects, this is largely due to more awareness about the risks of doing things wrong and a greater understanding of the benefits of what can be achieved through procurement when done effectively.

The growth can also be attributed to some of the Councils seeking new ways of generating income which often results in a procurement process, along with Councils being successful in securing grant funding for various projects which then generates a procurement process, for example, Mid Sussex Full Fibre Network Programme and Place and Connectivity Programme. We also have a large volume of regeneration and construction projects such as Crawley's Town Hall and Town Centre redevelopment, Horsham's new Highwood Community Facility and Piries Place Car Park. This along with the usual contract renewals has had a significant impact on the work programme. This looks likely to continue in future years.

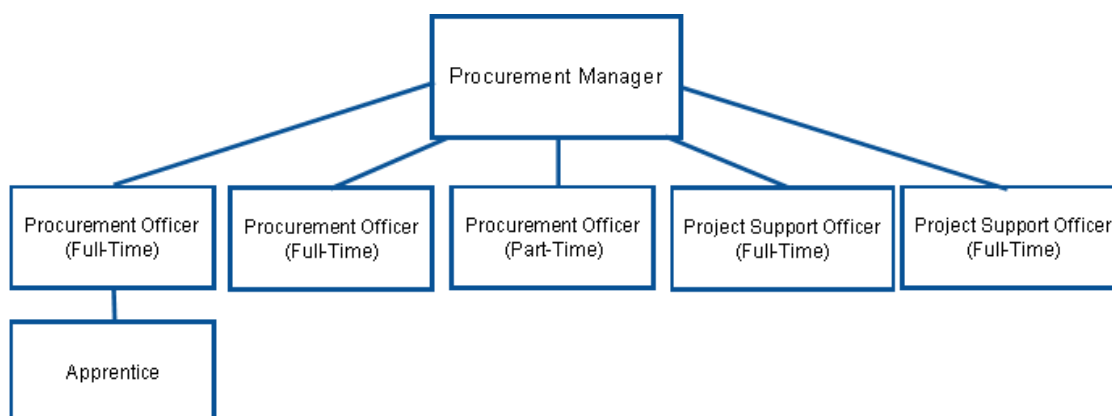
Currently the team is working at full capacity with very limited resource to deliver some of the strategic / housekeeping requirements such as developing a procurement strategy, implementing a training programme, reviewing and developing policy and guidance documents etc. There are also some areas of expenditure identified by spend analysis that require review or contracts to be developed which are not able to be taken forward due to resourcing issues.

## The Proposal

MVDC have visited the Council and have provided details of their corporate priorities and future work programme. They have also provided details of their budget provision which covers the cost of a full-time Procurement Officer (currently in post) and a part time Procurement Officer (estimated 25 hours per week). The Procurement Officer is experienced in local government procurement and has been involved in many tenders of a similar nature to us and is well-regarded at Mole Valley. They also have ambitions of expanding their skills and experience and are keen to develop their supervisory skills and experience.

The work programme appears to be manageable and there are opportunities to procure collaboratively. Most of their forward plan priorities cover their facilities and property management expenditure. The biggest outsourced service that requires retender in the medium term is the Leisure Management Contract which expires in 2023. It is likely therefore that the work programme could be covered effectively with the resources MVDC budget would provide. Due to the time saving efficiencies of procuring collaboratively there would be spare capacity within their resource contribution to serve the other three authorities, it also acts as a buffer and creates more resilience within the team.

With the resource and budget allocation from MVDC, the proposed new structure of the team would be as follows:



## Implementation

The Joint Procurement Board have agreed that an initial 12-month trial period would be beneficial. This allows all parties to assess the value of the wider partnership arrangement and gives sufficient time to consider future budget and resourcing implications. MVDC are formally agreeing this approach at their informal Cabinet meeting on 12<sup>th</sup> June 2019.

During the 12-month trial period CBC would amend the Service Level Agreement to incorporate MVDC. MVDC would in effect second their staff to CBC with revised job descriptions to cover working in a wider procurement team. The Procurement Manager at CBC would line manage the MVDC staff. The Head of Legal Services at MVDC would become a member of the Joint Procurement Board.

It is likely that this trial period would commence in August/September 2019 with regular review periods. Any decision to make the arrangement permanent would result in a recommendation report coming to a future Cabinet meeting.