

## **Strategic Procurement for a Sustainable Future - Procurement Strategy 2015 - 2019**

This document sets out the University's Procurement Strategy which is developed along two strategic themes:

- Embedding Best Practice;
- Delivering Strategic Procurement.

It supports the University's overall mission, strategy and values and will set out the plan for the future of procurement activity within the University for the period 2015 - 2019.

### **Delivered by:**

- Procurement Services;
- School/departmental procurement expertise (development of Lead Buyer role);
- Buying groups made up from university staff with specific procurement experience.
- Supporting e-procurement systems

### **1. Embedding Best Practice**

#### **Aims: To:-**

- Develop understanding of the procurement life cycle;
- Ensure best practice sourcing;
- Ensure best practice contract management;
- Reduce procurement administration costs;
- Develop demand management.

These aims will be delivered by Procurement Services working with lead buyers and buyers groups.

Procurement Services will:

- Develop and disseminate policy and best practice;
- Provide advice, guidance and training
- Develop a delivery plan to reach the level 3 of the Flexible Framework

School/department lead buyers will:

- Act as point of procurement expertise for their respective school/department;
- Support the development and dissemination of policy and best practice.

Buyers Groups will;

- Support the development of policy and best practice

## 2. Delivering Strategic Procurement

**Aim:** To ensure university procurement resources are directed to achieve the best possible value for money for the university.

This aim will be delivered by the production of annual procurement plans segmenting spend into the following categories:

- Routine – efficient processing;
- Bottleneck – continuity of supply;
- Leverage – effective competition;
- Strategic – supply partnerships, collaboration, in-house provision.

In addition the plan will identify the following opportunities/risks:

- Savings
- Efficiencies
- Sustainability

This will be used to select the appropriate procurement route e.g. ad-hoc purchasing, negotiation, quotes, tenders, national framework contracts etc. and allocate resources.

The plan will also set out the contract management strategy for all contracts with a value in excess of £100,000.

The plan will be used to ensure the appropriate allocation of resources and monitor success.

School/departmental plans will feed into an overarching university plan so that Procurement Services resources can be directed to support the university in the most efficient and effective way.

Each plan will be signed off by the relevant Head of school/Director as it will be the responsibility of the school/department to deliver the plans.

Procurement Services will:

- Assist in the development of school/departmental procurement plans;
- Lead on the management of university wide contracts;
- Manage/oversee procurements above EU thresholds;
- Provide supporting procurement systems including eProcurement;
- Provide advice, guidance and training;
- Report to senior management with six monthly spend/progress reports

School/department lead buyers will:

- Develop local procurement plans;

- Assist school/department in the delivery of the plan.

Buyers Groups will:

- Support the management of university wide contracts.

Head of School/Director

- Review and sign off on school/departmental procurement plans

### 3. Reporting

| Local KPIs   | Target/Aim   |
|--|--|
| Total impactable spend   | expenditure to stay in line with inflation / university growth (student nos) |
| Spend with Local Suppliers   | 35%  |
| Percentage of contracts > £100,000 with a formal contract management plan                  | 90%  |
| National KPIs  | Target   |
| BPI 1. Total cost of procurement function as % of impactable spend                         | 0.60%  |
| BPI 2. % age of impactable spend channelled through collaborative procurement arrangements | 30%  |
| BPI 3. % of orders placed electronically and via purchasing cards                          | 90%  |
| BPI 4. % of impactable spend actively influenced by procurement function                   | 95%  |
| BPI 5. Annual procurement savings as % of impactable spend                                 | 3.5%   |
| BPI 6. % of professionally qualified procurement staff                                     | 66.6%  |