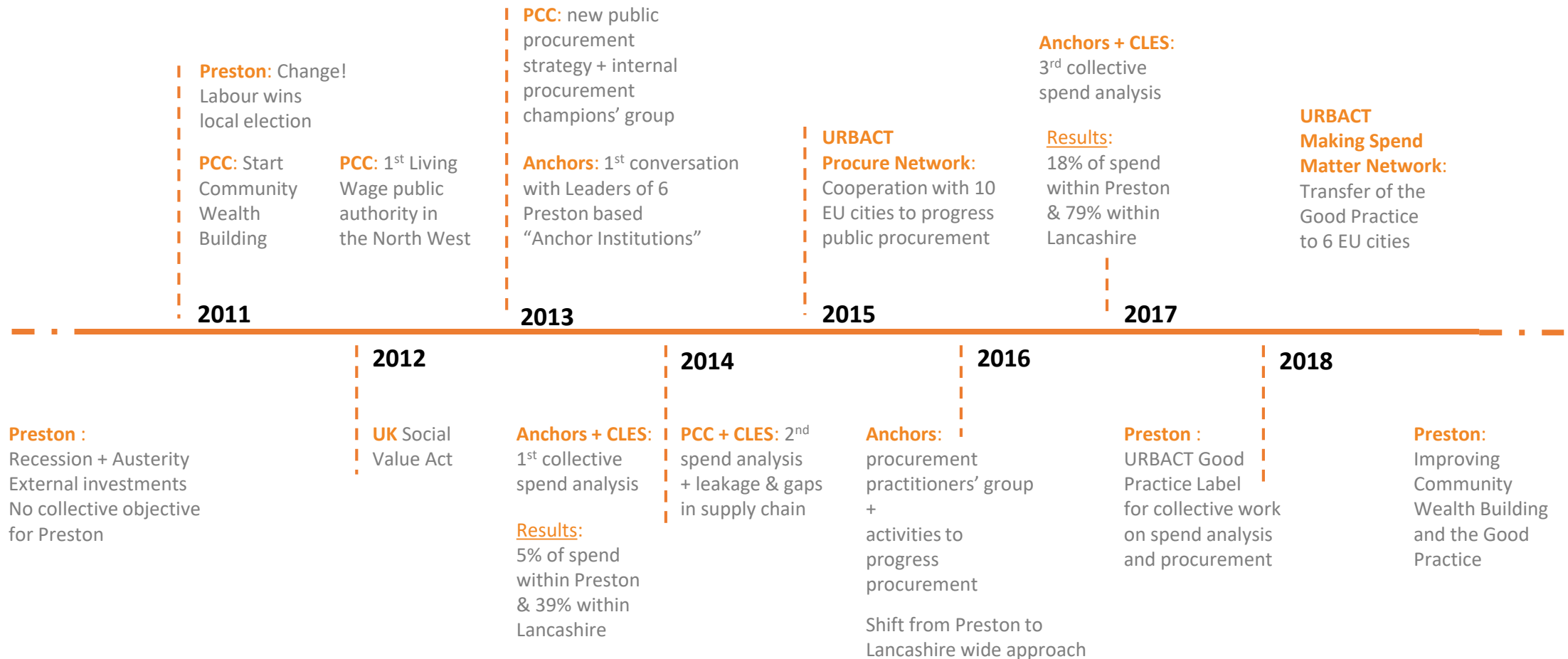


Implementing Activities around Procurement in Preston

February 2019

Our Timeline

Preston Journey: Changing procurement – Changing our city



Our Starting Point - Manchester



Our Starting Point - Manchester

1. Procurement process change
 - a. streamlined documentation
 - b. embedded priorities into documentation
 - c. started to weight on Social Value
2. Supplier engagement change
 - a. Enhancing relationships with economic development
 - b. Pre-market engagement
3. Wider impact measurement
 - a. Understanding wider impact of supply chain

What we wanted to understand

1. How much our anchor institutions spent buying goods and services
2. How much of this was spent in Preston and wider Lancashire
3. How much was spent with SMEs
4. How much was spent by industrial sector
5. How our anchors could bring greater benefit for Preston and Lancashire
6. How anchors could work more collaboratively

Stage 1 – visited anchor institutions

1. An offer to undertake spend analysis
2. Why should they engage?
 - a. place based institutions;
 - b. importance of collaborative working;
 - c. no more ‘funny money’ to achieve wider outcomes;
 - d. scale of procurement spend
3. Jointly – Cllr Brown, Derek Whyte, CLES

2012/13 SPEND



5%

spent within Preston City
Council boundary

61%

leaking out of the
Lancashire economy

Stage 2 – Undertook spend analysis

Stage 3 – Event and Joint Commitment

1. Shared collective findings of Spend Analysis
2. Develop a joint statement of intent
3. Committed to collaborate to shift procurement processes and practices to enable community benefit

Stage 4 – delivered a range of activities

1. Development of Procurement Practitioners' Group
2. Development of Procurement Strategy (PCC)
3. Identification of Influenceable Spend
4. Development of Supplier database
5. Undertook research to identify wider impact
6. Breaking contracts down into smaller lots
7. Development of Social Value Framework (LCC)
8. Development of Gap Cooperatives (UCLAN)
9. European funded Network - Procure

Stage 4 – delivered a range of activities

10. Dedicated tenders and procurement webpage
11. Held Meet the Buyer events
12. Encouraged contractors and sub-contractors to pay the Living Wage
13. Developed relationships with FSB and Chamber
14. Jointly produced an Integrated Action Plan

Spend Analysis

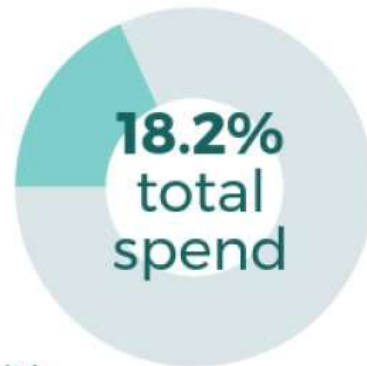
Preston

2012/2013



an increase in spend with
Preston based organisations
of £74,750,857.47

2016/2017



Lancashire

2012/2013



an increase in spend with
Lancashire based organisations
of £199,688,679.96

2016/2017



Stage 6 – our work now

1. Making Spend Matter Transfer Network
2. Developing Social Value Framework
3. Developing contract monitoring system
4. Trialling advertising opportunities through Chamber and FSB
5. Looking to create a common statement on procurement landing pages
6. Engage additional anchors – e.g. NHS Trust

Frequently Asked Questions

1. How much resource and time needs to be committed to make this process work?
 - a. Lots of commitment is needed politically and from officers.
 - b. Cost of commissioning initial analysis – circa £30k
 - c. BUT it takes time.
2. Can it work across different types of councils?
 - a. Yes – it is the principles which matter. However different types of council may involve different institutions

FAQs

3. Who was involved?

- a. Led by Preston City Council.
- b. Other groups extremely helpful in maintaining momentum.

4. What was the geographical reach?

- a. We are working with organisations across Lancashire.
- b. We needed to consider geography as part of Spend Analysis decisions so analysed Preston and the wider Lancashire footprint.

FAQs

5. How was the private sector involved?
 - a. Predominantly public anchors.
 - b. Chamber and FSB embedded in working groups.
 - c. Business engaged through wider Living Wage work.
 - d. Evidence of businesses thinking differently as a result of this work.

6. What training have you undertaken?
 - a. We deliver regular awareness raising events in partnership with anchors.

FAQs

7. Is it important to have external support?
 - a. CLES have been key collaborators in Preston.
 - b. External support helps ensure a robust methodology and provides comparative experience.
8. What are the key lessons we have learned?
 - a. Continued engagement with anchors is key.
 - b. Media portrayal can be a challenge.
 - c. Work with a key independent collaborator.
 - d. Evidence is core to policy change.
 - e. Change takes time.
 - f. Procurement officers are key to success.

FAQs

9. What would we do differently?

a. Appoint a Community Wealth Building officer to lead the project at an early stage.

b. Prioritise developing a more cohesive Community Wealth Building Strategy.

c. Focus more on economic development.

d. Improve our communication messages.