



EDUCATION AUTHORITY CORPORATE PROCUREMENT STRATEGY

2018/2021

Revised



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1. EXECUTIVE SUMMARY

Procurement is at the core of the Education Authority's (EA) business. Exceptional procurement practice and working in partnership with all our stakeholders is essential to the effective delivery of high quality procurement services.

Efficient and effective procurement has an important role to play in delivering value for money across EA. Procurement is a key enabling strand of the EA's ambitious business transformation programme and will assist in the delivery of PfG outcomes. We will generate efficiencies and savings through rigorous challenge of all purchasing decisions; the implementation of efficient procurement processes & procedures; and demonstrate best value for money.

This strategy sets out the procurement objectives for EA for the financial years 2018 - 2021. The objectives reflect the strategic priorities of EA as outlined in EA's Interim Strategic Plan 2017 - 2027.

Our aim is to transform the procurement model already in place, with a view to:

- set clear strategic objectives for the service;
- develop a commercial focus;
- develop innovative procurement strategies;
- deliver and demonstrate real cash savings;
- create a culture of continuous improvement in our procurement methods;
- ensure compliance with our statutory procurement obligations;
- continue to improve access to all EA contracts and also to ensure collaboration with other public sector bodies where possible;
- deliver the best possible procurement service to EA directorates, schools and colleges and wider public sector;
- ensure we are a customer focused service; and
- focus on sustainable procurement within every contract.

2. PROCUREMENT VISION & MISSION STATEMENT

The following procurement vision and mission statement have been established to support the EA's vision and to ensure the delivery of effective and efficient procurement.

Procurement Vision

'To be recognised as a value added, high quality procurement function, fully aligned to the Education Authority's services and delivering best value for money for all stakeholders'

Mission Statement

'To provide an outstanding procurement service that supports the delivery of quality services in the most innovative, cost effective and compliant manner'



3. OUR PURPOSE

EA has a non-pay expenditure of circa £500M per annum across goods, services and works provided by external suppliers and contractors. The Northern Ireland Public Procurement Policy requires EA to be fully Compliant with the Public Contract Regulations (2015) PCR (2015).

This document set outs EA's Procurement Road Map and Strategy for the period 2018 – 2021.

4. OUR ROLE

To provide professional, qualified procurement expertise, advice and services; for all expenditure with external suppliers; in compliance with the PCR (2015) and the NIPPP. We will procure all goods, services and works, with high ethical standards focussed on social, economic and environmental considerations by applying principles of sustainable procurement.

As part of our role we will:

- develop, promote and implement appropriate procurement strategies, category procurement strategies and procedures;
- deliver maximum value for money (VFM) the optimum combination of whole life cost and quality considering innovation to meet the end user's requirements ensuring a commercial focus;
- advertise all tender opportunities greater than £5k on e-TendersNI;
- promote and engage in the implementation of relevant technology solutions, including e-procurement, to minimise purchase to pay costs;
- create and embed optimum procurement strategies across the EA in consultation with stakeholders;
- engage effectively with other Centres of Expertise, in relation to policy, practice, information sharing and collaboration;
- embed Contract & Supplier Relationship Management (C&SRM) with key strategic suppliers;
- maintain a comprehensive Contract Register;
- maintain Procurement Policy Exception Register;
- maintain Procurement Tender Register; and
- measure and report procurement performance.

5. OBJECTIVES

The procurement service will transform to ensure:

- delivery of high quality, valued services that meets the needs of our children and young people;
- delivery of excellent procurement services that effectively engages our clients and markets with a strong customer focus;
- development of a culture focused on continuous quality improvement that values learning and inspires trust;
- staff have the requisite knowledge and skill to deliver the strategy;
- develop and nurture the skills of our staff to ensure leadership is embedded at all levels of the service;
- tangible savings and efficiencies are realised and measured that result in resource savings and efficiencies;
- a fully compliant procurement service;
- collaboration with other CoPEs to aggregate buying power;
- a safe environment that facilitates critical analysis to ensure continuous improvement;
- sustainability and PfG outcomes are central to all tenders and contracts;
- data driven decision making; and
- Risk Management and Governance is embedded across the service.

We Will Achieve Our Objectives By...

- Providing developmental opportunities for all our staff that results in professional and informed service level delivery.
- Develop a set of standard operational procedures for individual users and cross-functional teams.
- Embed category management based on classification of organisational requirements that facilitates market knowledge and increases innovation.
- Manage relationships that facilitates information and knowledge exchange through maintaining effective relationships with suppliers, key stakeholders and other CoPEs to generate opportunities.
- Ensuring effective contract management that manages contractual KPIs and ensures continuing contract performance.
- Developing effective management information and reporting to inform decision making.
- Identifying and managing risk.
- Developing robust governance and reporting.
- Being open, transparent, engaging and compliant.
- Collaborate with other CoPEs, CCS and other relevant National Frameworks to achieve economies of scale.



What Will Success Look Like?

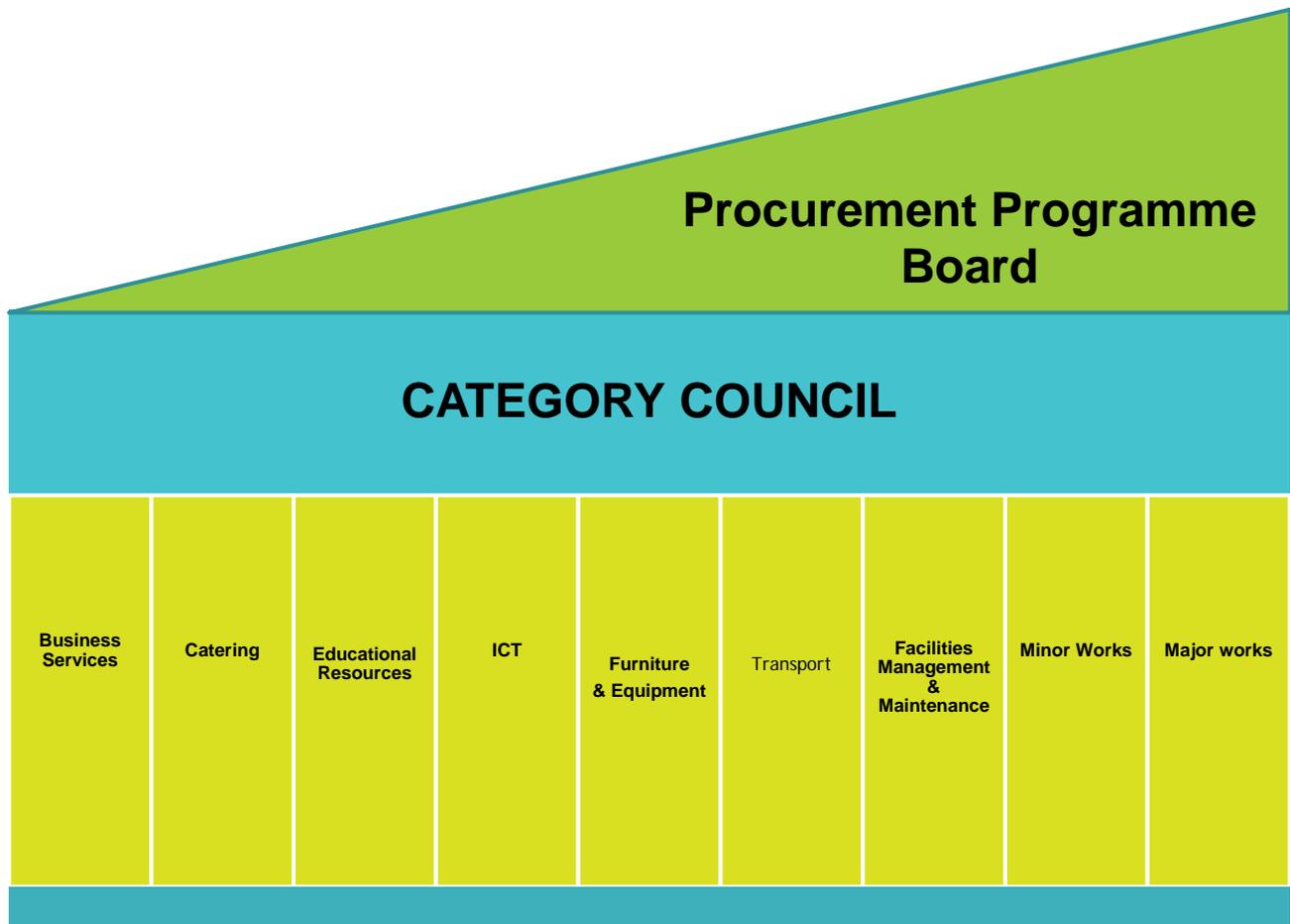
- Established and embedded Strategic Category Management Structure.
- Embed category management based on classification of organisational requirements that facilitates market knowledge and increases innovation.
- Establish and implement a Staff Training Strategy and Procurement Competency Framework.
- Introduction and implementation of a Quality Management System.
- Manage relationships that facilitates information and knowledge exchange through maintaining effective relationships with suppliers, key stakeholders and other CoPEs to generate opportunities.
- Effective contract management that manages contractual KPIs and ensures continuing contract performance.
- Developing effective management information and reporting to inform decision making.
- Identifying and managing risk.
- Developing robust governance and reporting.

6. PROCUREMENT ROAD MAP 2018 - 2021



7. CATEGORY MANAGEMENT

We will introduce and develop Category management through the establishment of nine Category Pillars.



8. GOVERNANCE

EA Procurement Progress Year Ending 31st March 2020 - Governance Arrangement

The Evolution of our Governance Structure

The procurement governance structure (diagram 1 below) has been in operation in the EA since early 2018. A review of the Procurement Panel was undertaken by the Head of Procurement in light of the move to the Category Management structure and the introduction of Category Councils. The revised structure was agreed at the procurement transformation board and operational at 1st April 2020.

Diagram 1 – Governance Structure 2018 - 2020

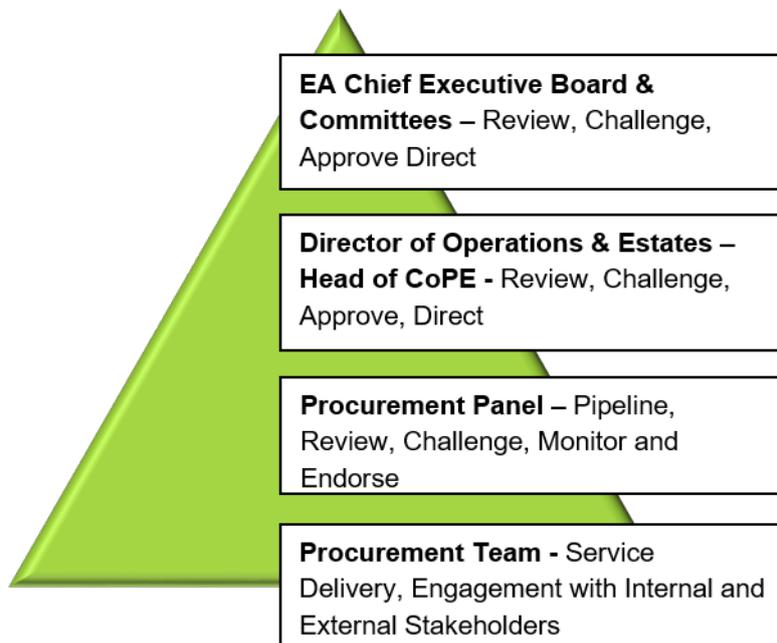
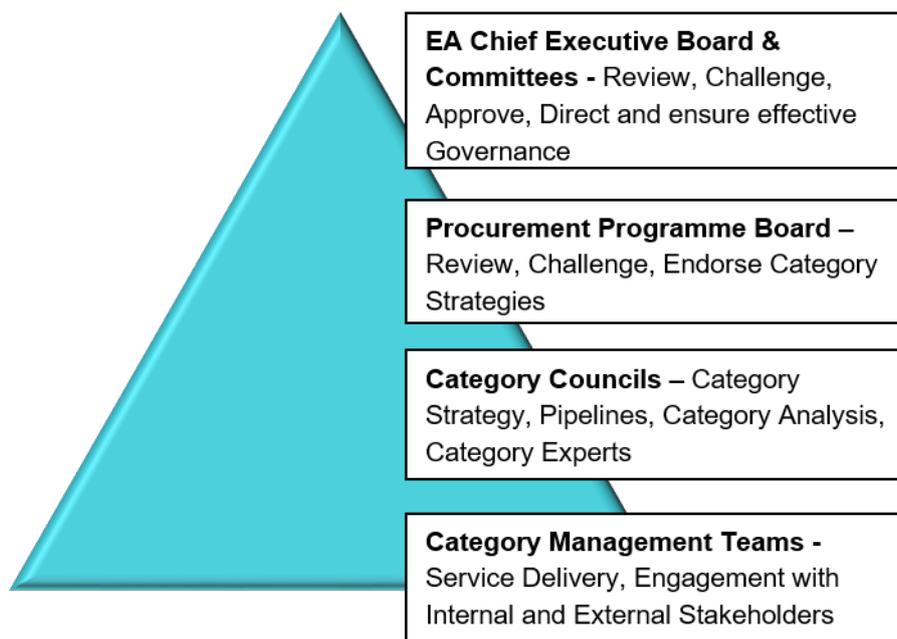
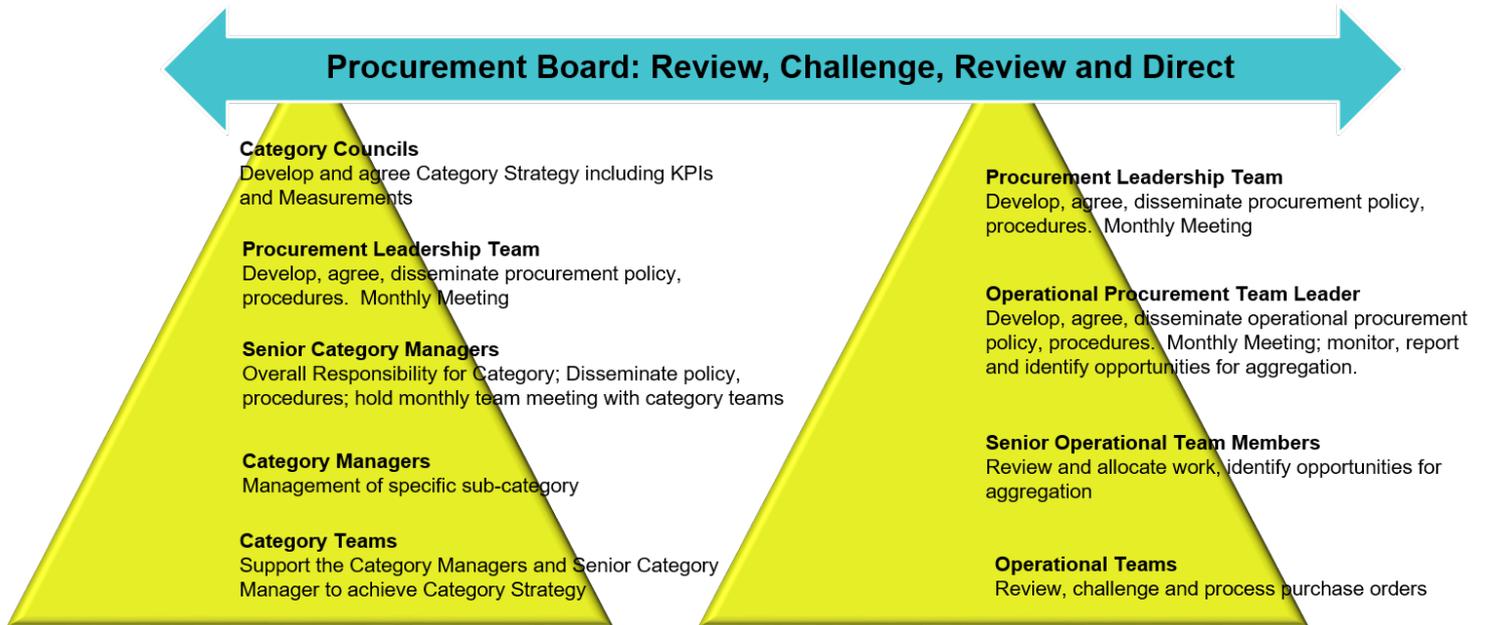


Diagram 2 – Governance Structure 1st April 2020



9. PROCUREMENT OPERATIONAL GOVERNANCE



10. STAKEHOLDER ENGAGEMENT

We will work in collaboration with our key stakeholders both internal and external to provide best value for money procurement solutions that meet the needs of our stakeholders and to achieve agreed targets aligned with procurement policy.

We will do this by:

- effectively engaging with our customers to inform procurement category strategies and ensure procurement activity meets our customer expectations;
- undertaking effective pre-market engagement with our Suppliers, contractors, industry bodies and market research;
- establishing Category Councils with key customer representation;
- establish wider user groups to feed into the procurement strategies e.g. PRG, SUG, PUG etc.;
- undertake procurement survey feedback from stakeholders on all OJEU tenders;
- undertake supplier surveys; and
- develop a Service Level Agreement for the Procurement Operations Team.

11. ASSURANCE, REPORTING AND QUALITY MANAGEMENT

Quality Management

- We have developed a robust Quality Management System (QMS) version controlled and regularly updated to ensure quality and consistency of procurement processes across the EA. Continuous monitoring and auditing of the process to ensure adherence to the procurement cycle including the approval and governance approvals for EA.
- All QMS documentation is approved via the QMS Checklist by the Category Manager and Senior Category Manager

Reporting & Data

Data on procurement activity is used to assess the performance of procurement policies and organisational procurement operations, and shape future strategic decisions. Develop benchmarking sources to promote whole life costing and total cost of ownership models.

- Our data is compiled from sources: SharePoint, Sourcing Register & e-TendersNI.
- We have developed a procurement dashboard to record, monitor and report on procurement activity.
- A quarterly Procurement Assurance Report is developed for the EA's Corporate Leadership Team and Finance & General Purposes Committee.
- All procurement above £5,000 are advertised on e-TendersNI
- A suite of reports developed via IFS.
- A sourcing register is developed.
- A suite of reports developed via the Sourcing Register.

Risk Management

We have developed a robust Risk Management at Contract, Category & Service level to ensure all contract and service level risks are captured and escalated where appropriate.

- A procurement risk register is in operation, updated monthly at PLT.
- Contract level Risks are captured on QMS Tender Strategy Documents.

12. DEVELOPING OUR STAFF

Competency Skills Framework

A Competency Skills Framework has been put in place to track staff professional development and provide relevant training where required to help each employee to excel in their role. Furthermore a Competency Skills Dashboard has been developed to provide the Procurement Leadership Team (PLT) with an overview of the Procurement Team as a whole. This will be reviewed bi-annually.

Procurement Training Strategy

We have developed a training strategy to meet the immediate and future needs of our staff to ensure all staff have the requisite skills at the appropriate level to deliver the procurement strategy

Performance Management

We will introduce performance management across all procurement categories that will be at individual and category level and include:

- realistic and stretching;
- reflect improvement on the previous year;
- based on reasonable assumptions for activity, that the service has sufficient capacity to deliver; and
- maximise efficiency and transformation opportunities.