



**AC(4)2012(4) Paper 3 part 1**

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## **Assembly Procurement 2012 – 2014**

### **1.0 Purpose and summary**

1.1 This paper summarises the action we propose taking over the next two years as we develop and strengthen the support for procurement in the Assembly, so that we achieve the Commission's aspirations set out below.

### **2.0 Recommendations**

2.1 The Assembly Commission is invited to note the action being taken and confirm it is content with the approach.

### **3.0 The Purpose of Procurement**

3.1 Our approach to Procurement is as follows:–

- We want our procurement service to be the best – modern, efficient and socially responsible;
- We put sustainability and equality at the heart of everything we do;
- We aim to deliver the quality of services that Assembly Members and the public have the right to expect;
- We are developing a diverse supply chain and will help small suppliers to compete;
- We'll get value for taxpayer's money – but not just through buying the cheapest;
- In our dealings with suppliers and the public we'll be transparent and adopt the highest professional standards.

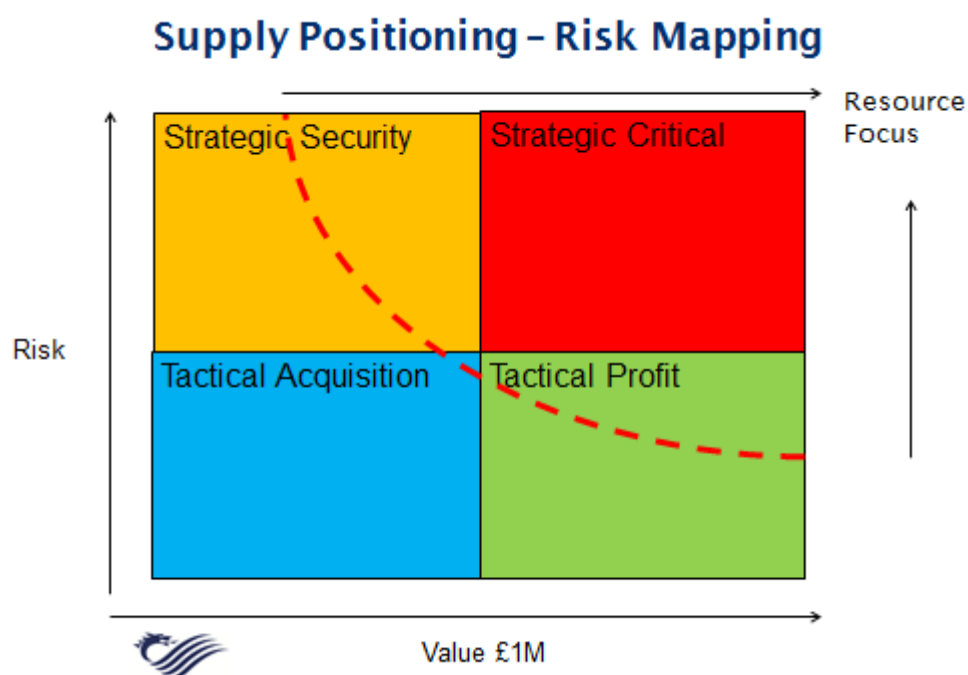
3.2 The key way that the management of procurement will change is that the Procurement team will move from a purely advisory role to a more “hands on” delivery function.

#### 4.0 Adopting a strategic approach

4.1 Successful procurement requires the application of appropriate strategies to different markets. For every contract we will explore our approach to the market and how best to present our contract opportunities to local suppliers and small and medium enterprises (SMEs). We will not use a ‘one size fits all’ approach, but tailor our processes so that SMEs aren’t disadvantaged.

#### 5.0 Supply Positioning

5.1 Supply positioning, by which we analyse and understand the business importance of a contract, will allow us to choose the best approach to its procurement. We will position a contract based on the likely risks faced in its procurement and its value and build a procurement strategy for each contract based on that. **We will adopt this technique on all contracts over £25k.**



#### 6.0 The Right Procurement Structure

6.1 Introducing a more centralised role in procurement will bring greater consistency in our approach to the external market place, improve governance and reduce commercial risk to the organisation. The procurement of contracts below £25k will normally be delegated to

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individual services, with Procurement providing an advisory service. Full procurement engagement will commence at £25k.

**7.0 How we will Deliver our Aspirations**

- 7.1 We want our procurement service to be the best – we will do this by adopting a ‘hands on approach’ and managing all the stages of the procurement process, from procurement strategy development, through to involvement in contract management once the contract is awarded.
- 7.2 We will introduce ‘sustainability risk assessments’ where we will consider how we can reduce our environmental impact and consider any wider social issues. The outputs from these will transfer into our specifications and tender documentation.
- 7.3 We will be transparent in our business dealings, giving detailed feedback to unsuccessful companies so that they can be better placed to win future opportunities.

**8.0 Recommendation**

- 8.1 The Assembly Commission is invited to note and comment upon the progress made in addressing the procurement strategy of the Assembly.

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