

Our Overarching Procurement Aim

The main aim of the procurement strategy is to ensure sustainable, timely, and cost-effective sourcing of the University's goods, works and services requirements to support the University's people and infrastructure to provide an excellent student experience.

Our Procurement Goals

- Improving Strategic Relationships
- Enhancing Procurement, Contract Management and Commercial Skills
- Ensuring Sustainable Procurement
- Driving Collaboration
- Improving Procurement Process & Systems
- Leveraging Added Value for Students Through Procurement
- Advancing Equality and Diversity

The Priority Actions

In order to achieve our goals the following actions will be taken:

(1) Improving Strategic Relationships – the Procurement & contract manager will support business units to:

- (a) Ensure their purchasing needs are being effectively and efficiently met. They will work with business units to help them understand their future requirements, the sustainability context of their requirements, priorities and issues, recognising that supported business units can better specify their requirements and can work with us to achieve better value for money. The Procurement and contract manager will provide first points of contact for support and advice.
- (b) Ensure decisions relating to major procurement projects are informed by commercial expertise and to understand and influence new requirements (demand management).
- (c) Conduct supplier positioning (value and risk) to identify our key suppliers. Strong, positive relationships with those key suppliers will then be developed through the implementation of Supplier Relationship Management (SRM) programme.
- (d) Support contract managers to develop suppliers' relationships in order to achieve the following objectives:
 - (i) gain a shared understanding of how they can deliver increasing value to the University and how the University can develop mutual cost reduction approaches (understanding cost drivers);
 - (ii) understand and manage strategic supply risks including market dominance and conflicts of interest;
 - (iii) manage the risk of key suppliers becoming insolvent due to changing and challenging economic circumstances (including the Brexit process) and ensure we have robust contingency arrangements;
 - (iv) engage about future requirements and help them prepare for contracting opportunities;

- (v) maintain up to date commercial intelligence to ensure that the University understands risk, market and technological developments;
- (vi) seek continuous improvements in value for money and benefit through joint improvement plans.
- (vii) Ensure that all suppliers arrangements are reviewed periodically in accordance with the provisions of the Contract management framework.

(2) Enhancing Procurement, Contract Management and Commercial Skills – the Procurement & contract manager will support business units to:

- (a) Identify key buyers and contract managers within business units.
- (b) Assess the skills of key buyers and contract managers by using a developed procurement/contract management skill assessment tool and then conduct a gap analysis to identify areas of knowledge, skill and capability in need of development.
- (c) Develop and implement a training and development programme that works in conjunction with the staff SRD scheme to ensure that key buyers and contract managers have the opportunities to acquire an appropriate level of skill, capability and knowledge to perform their roles.
- (d) Facilitate separate buyers and contract managers champion groups to support the dissemination of good practice and knowledge amongst buyers and contract managers.
- (e) Through specific purchasing consortia and other working groups, work collaboratively with business units experienced in particular categories to better understand requirements, to analyse spend in order to identify category priorities, to develop appropriate and achievable category plans and to promote those plans.
- (f) Further develop the online procurement guidelines to support buyers and contract managers.
- (g) Maintain a contract management framework that supports contract managers to manage their contracts in a consistent way. Ensure that the framework is implemented rolled out in a supported fashion through a workshop.
- (h) Develop our understanding of how contracted goods, works and services are used within the University, and using this knowledge we will seek to influence demand in terms of both volume and quality of specifications, so that we receive goods and services that are fit for purpose and not over-specified.
- (i) Manage their cost base by identifying the most prudent, efficient and cost effective route to procuring their requirements.

(3) Ensuring Sustainable Procurement

- (a) Deliver training, support and guidance to equip business unit buyers and contract managers with the right skills, knowledge and tools to achieve the sustainable procurement objectives of particular procurement categories relevant to their work areas. In particular:
 - (i) Raising their awareness of sustainable procurement issues and influence the development of specifications and procurement options as early as possible to ensure they contribute to sustainable objectives.
 - (ii) Ensuring that buyers are able to identify those preferred suppliers who have the best sustainability credentials, and where practical only enter into agreements that offer environmentally preferable products.
 - (iii) Developing and promoting the use of the University's Search Here and Re-Use (SHARE) website to ensure that buyers check the availability of redundant (or otherwise available on a temporary loan

basis) goods before purchasing new items.

- (iv) Supporting buyers to ensure that sustainability considerations are still embedded in their specifications and supplier evaluations, despite the expected financial pressures.
- (v) Raise buyer's knowledge and appreciation of setting contract quality and pricing evaluation criteria on a whole life basis.
- (b) Promote and further develop sustainability into our procurement practices (category management, contract and supplier relationship management, tendering) by establishing, developing and implementing sustainability requirements and considerations for individual procurement categories in consultation with stakeholders across the University.
- (c) Work with an increased number of suppliers of high sustainability impact products and services during the SRM process to ensure that sustainable procurement considerations, requirements and the identification of opportunities for specific categories become 'business as usual' and are embedded into commercial activities directly and down the supply chain.
- (d) Work with suppliers to address sustainability by building relevant key performance indicators and contract terms into contract. Once key contracts are awarded ensure that sustainability is a standing agenda item in all supplier contract management reviews.
- (e) 'Stress test' key high sustainability impact supply chains to establish how far down the supply chain claimed sustainable credentials can be traced and proved.
- (f) Support the procurement activity within the University to maintain the HEFCE Flexible framework sustainability assessment Level 3 and develop the 6 enablers for working towards achieving an ISO 20400 standard of sustainable procurement.
- (g) Conduct our procurement activities in accordance with the Chartered Institute of Procurement & Supply (CIPS) Corporate Code of Ethics (Appendix A)

(4) Driving Collaboration

- (a) Regularly review how we procure goods and services against approaches taken by other institutions to ensure we select the best value option. In particular, identify further opportunities to collaborate with other bodies in the higher education sector, relevant consortia and government organisations to maximise market leverage and gain better value for money through cross-sector category strategies for common goods and services.
- (b) Further promote transition of University spend for common goods and services to existing collaborative deals where these provide best value for money, and contribute to the management and development of those deals.
- (c) Focus our expertise on procurement that contributes most to the University's objectives, capital projects and categories that are unique to the University, focusing transition to collaborative deals on commoditised spend areas.
- (d) Support representation on national and regional committees and working parties where the benefit to the University of fostering effective strategic alliances with other institutions is worthwhile.
- (e) At working level promote the sharing of experience between buyers of successful and less successful initiatives through a buyer's champions group to ensure lessons are learnt for future initiatives.
- (f) Continue to support and work with sector and procurement specific national organisations to develop procurement practices. In particular:
 - (i) BUFDG PPG, the Chartered Institute of Procurement and Supply (CIPS) and the Southern Universities Procurement Consortium (SUPC) to develop and promote best purchasing practices across the higher education sector.

- (ii) Provide procurement data to HEPA in support of its joint initiatives.

(5) Improving Procurement Process & Systems – the University will:

- (a) Develop lessons learned from the Academic services administration team initiative to centralize its procurement function into a centralized team and review whether it will be beneficial to implement this approach across other areas of the University.
- (b) Maintain purchasing processes that are effective, easily accessible, which promote best value and manage compliance to Financial Regulations. We will continue to support 'light touch tendering' in suitable cases to ensure our approach is proportional to the level of risk present.
- (c) Assess acquisition costs (through category and supplier relationship management monitoring) for our main spend areas, and take steps to streamline and take cost and time out of the processes where possible. This may include the continued introduction of efficient electronic solutions which eliminate waste, improve reporting and enhance compliance.
- (d) Develop and maintain an effective e-tendering solution (In-Tend) to maximise tendering efficiency, for both the University and suppliers, and our ability to produce and analyse tendering management information. We will seek to expand use of the In-Tend e-tendering system across business units where it is cost effective. We will use other e-purchasing tools such as e-auctions where this delivers best value.
- (e) Maximise use of e-catalogues across the University to ensure easy access to preferred supplier agreements, and use this technology to display options to purchasers to help them make informed decisions about best value.
- (f) Adopt legal best practice from across the HE sector to ensure tendering and contracting templates are legally and commercially robust, proportional to the risks present, and include simple guidance for business units.
- (g) Maintain a dashboard that will measure, monitor and report practical key performance indicators relating to procurement trends. We will benchmark against other higher education and public sector organisations.
- (h) Ensure a productive working relationship between LTI technical support teams and managers and users of systems in order to log, prioritise and resolve system related development and maintenance issues.
 - (i) Support business unit users through further development of the Agresso user champions group and online forum in order to facilitate the resolution of simple end user queries and dissemination of knowledge and best practice.
 - (i) Regularly review procurement authorisation levels across the University and ensure that the requisition authorisation

(6) Leveraging Added Value For Students Through Procurement

- (a) Maintain and monitor compliance with the procurement and contract management guidelines to ensure that consideration is given to leveraging opportunities for students through the procurement process.
- (b) Ensure that this opportunity is regularly communicated to business unit buyers through the various user group, champions meetings and forum.
- (c) Re-contact key existing suppliers and task contract managers to engage with them regarding this initiative.
- (d) Liaise with the Future Plan programme to ensure that any forthcoming opportunities are utilised.

(7) Advancing Equality and Diversity

- (a) Ensure that suitable and proportional equality and diversity requirements form a key part of the selection of suppliers to provide goods, works and services for the University.
- (b) For appropriate contract opportunities the University will require suppliers to commit to signing up to the government's Disability Confident Scheme as part of the selection criteria.
- (c) Manage key contracts in a robust fashion that ensures that suppliers' initial commitment to equality and diversity is maintained throughout the life of the contract and improved upon where appropriate.

Measuring Success

We will measure our success using the following key performance indicators developed by the Higher Education Procurement Association:

Procurement Indicator

Target/Threshold

1. Total cost of procurement function as percentage of impactable spend (%)	<= 0.5%
2. Percentage of impactable spend channelled through collaborative procurement (%)	>= 30%
3. Percentage of impactable spend with SMEs (%)	>=40%
4. Percentage of impactable spend actively influenced by procurement function (%)	100%
5. Annual Procurement savings as a percentage of impactable spend (%)	>=5%
6. Implementation of actions	We will also measure success subjectively by evaluating the progress regarding the implementation of the actions contained within this strategy.

Appendix A – Code of Ethics

Chartered Institute of Procurement and Supply – Corporate Code of Ethics

Organisations adopting the Code will need to commit to the following:

Understanding and commitment

- ensure consistent understanding of business ethics across the organisation at all levels
- continually enhance knowledge of all relevant laws and regulations in the countries in which the organisation operates, either directly or indirectly
- commit to eradicating unethical business practices including bribery, fraud, corruption and human rights abuses, such as modern slavery and child labour

Ethical practice

- conduct all business relationships with respect, honesty and integrity, and avoid causing harm to others as a result of business decisions
- treat all stakeholders fairly and impartially, without discrimination or favour
- actively support and promote corporate social responsibility (CSR)
- avoid any business practices which might bring the procurement profession into disrepute.

Professionalism

- use procurement strategies to drive unethical practices from the supply chain
- ensure procurement decisions minimise any negative impact on human rights and the environment whilst endeavouring to maximise value and service levels
- put ethical policies and procedures in place, regularly monitored and updated, and ensure compliance
- mandate the education and training of all staff involved in sourcing, supplier selection and supplier management to professional standards
- practice due diligence in all business undertakings.

Accountability

- accept accountability and take ownership of business ethics
- foster a culture of leadership by example
- take steps to prevent, report and remedy unethical practices
- provide a safe environment for the reporting of unethical practices.

Procurement Strategy Snapshot

To ensure sustainable, timely, and cost-effective sourcing of the University’s goods, works and services requirements to support the University’s people and infrastructure to provide an excellent student experience.

