

CMF / CMA Strategic Review

**Finance, Performance & Resources
Select Committee**

Michelle Granat / Tony Fish

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Purpose of this update

- To provide an update on the strategic review of the Contract Management Framework and Contract Management Application
- Invite comment on the initial findings, recommendations and next steps



Contents

- Background and scope of review
- Progress and key issues identified
- Next steps



Background and scope of work

- Concept of Supplier Relationship Management introduced to improve the capability of the Council to manage its supplier relationships and contracts
- Contract Management Application (CMA) was also developed and introduced to assist Contract Managers and support the new Contract Management Framework (CMF) processes
- Ownership of SRM transferred to the Innovation & Commercialisation Team in April 2015 and a strategic review of Contract Management was launched in August

● ————— August & September ————— ● ● ————— October & November ————— ●

Phase 1 A: CMF

To review and make recommendations on the Council's Contract Management Framework (CMF) to improve management of contracts and supplier relationships across the Council to better support strategic outcomes and delivery

Phase 1 B: CMA

To review and make recommendations on the Council's Contract Management Application in terms of its operational fitness-for-purpose and how to increase consistent adoption across the Council and drive contract and supplier performance management and reporting

Phase 2: Implementation

Following One Council Board approval of recommendations (that could not be implemented throughout the project) on the CMA and CMF, a final brief report and move to implementation of recommendations

Phase 3:

Alongside the implementation plan an options appraisal of the future of SRM and contract management in BCC

SRM Programme benefits so far

- Single supplier hierarchy and register of contracts
- Named contract managers
- Training to develop contract management skills
- Standard processes defined
- Maturity assessments completed
- Used for Commissioning and Procurement purposes

But....

- Good practice in place in the Council but inconsistent
- Contract Management needs differ across the Council – one size fits all won't work
- Limited direct visibility, management and sponsorship from the top
- Limited collaboration across the Council
- Original plans for CMA were overly ambitious and did not allow for customisation
- CMA is too often a 'bolt-on' to contract management activity rather than embedded in day-to-day processes
- Can't consistently evidence the change or quantify the benefits e.g. reduced costs, better risk management, improved service, innovation

Implementation workstreams

- Reform SRM advisory group to have greater accountability
- Define SRM reporting protocols and create a suite of performance reports
- Update CMF processes and roles and responsibilities and develop supporting handbook and tools
- Run a contract management self-assessment and improvement programme, including skills development
- Run a Strategic Supplier programme
- Analyse Contract Management processes in each part of the Council to identify the best technical solution(s) and agree enduring ownership, governance and funding of solution(s)



High Level Milestone Plan

