The University of Kent Procurement Strategy 2018 - 2021

Introduction

The University of Kent (UoK) Procurement Strategy is developed by the Head of Procurement and is a statement of the strategic intent of the Procurement Team for the academic years 2018 - 2021. It directly supports the University Strategy 2018-2021 and will be reviewed and updated annually to ensure the objectives are met and align to any subsequent University Plans and commitments, including the UN Sustainable Development Goals Accord (SDG Accord) which the University committed to in March 18. A progress report will be made available each year for the Director of Finance.

Strategy Statement

The strategy is aimed at enabling all Procurement activity within the University to operate in an effective, efficient, sustainable, compliant and professional manner. It will support the University Strategy in the following ways:

- **Our positive impact regionally, nationally, and especially internationally.**
  By engaging with the local and national business community, and supporting local and regional suppliers where possible, but not at the expense of regulatory or legislative obligations, compromising delivery or savings targets. This includes aspiring to, and building ways of, incorporating the 17 SDG Accord Goals into our activity, in alignment with the University’s commitment.

- **Encourage, recognise and celebrate success**
  The successes of the team and examples of good procurement practice identified across the University will be actively promoted within the University at all levels. In particular, value for money, savings made through procurement, and service improvements, delivered by the team will be communicated.

- **Encourage diversity; promote equality of opportunity**
  By ensuring all the University’s purchasing activity is carried out in a fair, transparent and compliant manner, as much as reasonably practical, that adheres to legislation and regulation, and our objectives and policies.

- **Maximise cultural and developmental opportunities for all our students and staff.**
  Staff development and up-skilling the Team will be a key focus for 2018/19 and across the wider university, and staff where involved in procurement activity, will be encouraged to attend relevant training courses. Procurement staff will be experienced and skilled in their specialist areas. The Procurement Team has been expanded with high calibre, qualified experienced staff to more effectively deliver results, to ensure we have the right skills, knowledge, and experience in the right position to be as effective as possible.

- **Work with partners in whom we have confidence for mutual benefit**
  Procurement will continue to implement a Category Lead delivery model with key relationships and stakeholders consulted regularly. Procurement staff will be selected by category specialism. Major, cross-departmental projects will have stakeholder groups to understand their concerns and views. This will have a key role in promoting best practice in purchasing activity and the successful outcomes of key projects over the coming years, with a collaborative approach to service delivery in the team.

- **Locally, to promote employment opportunities and act in a socially responsible way**
  Where possible, all tendering opportunities will be made available to local business taking into account the suitability of their proposal and there will be increased opportunities for local suppliers to participate. The Procurement function will also get more involved with the local business community to give advice and guidance on how to be successful in both the HE and wider public sector. The team
will continue to build closer working relationships with local bodies, councils, and other local institutions.

- Nationally, to form alliances with other leading higher education institutions and outside the HE sector

Through playing an active role in the both the HE and wider Procurement community and being connected to the necessary forums and providers, and contributing to sector consultations. The Team also collaborates with other HE providers, councils, authorities, and consortia where practical.

- Maximising our financial leverage

Through the above activity the intention is to deliver demonstrable Value For Money by maximising the leverage the University can exert on suppliers, including a full reporting suite that will enable accurate timely reporting on the University / Supplier credit ratings, Agresso and card transactions, contractual compliance, financial analysis of spend, suppliers, the wider market and sector, and any and all other spend information (internal or external) as appropriate. KPIs will be developed that will adhere to the requirements of the Sector guidelines and standards.

- Legislative and regulatory compliance

Through co-ordinated best practice activity, the team aims to ensure that Procurement activity across the University is, as much as possible, fully compliant to the legislative and regulatory requirements and will also focus on any changes or updates to any instruments to ensure compliance.

- Deliver an improved and more professional approach to Procurement activity

This will populate the team with more resources and a higher skill set inside the team, which will support all of the above activity, and provide the University with full visibility of our spend. We will implement a set of KPIs that will allow more frequent reporting on activity and performance, with the aim of delivering better results, and improving our PMA result from SUPC. Staff will be set objectives and managed formally with one-to-ones and annual reviews.

What is Procurement?

Procurement is more than just the buying of goods and services, there are a number of stages in the Procurement cycle, these would typically include (but are not limited to):

- Identify the need, including an assessment of full life cost analysis;
- Information gathering, how much, what and how we buy as a University, potential for collaborative procurement, leverage, service improvement, engaging the supply market and the procurement options open;
- The best fit of specification to deliver our requirement, purchasing of goods and services, how we buy under contract, or non-contracted suppliers;
- The tender (or quote) process to ensure fair, transparent and compliant spend;
- Contract award including the final contract and any Service Level Agreement;
- Contract management, including ensuring continued benchmarking to ensure both value and quality of service offering;
- Post Contract Supplier Management and dispute resolution;
- Commercial and contractual advice;
- Disposal of any redundant or surplus equipment in an ethical manner;
- The decision on whether to extend, if possible, or re-tender a contract when it expires;
- Compliance to legislation and regulation;
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- Achieving lowest overall life cost for the provision of the requirement whilst delivering the best possible outcome.

Value for Money

The Procurement Team is committed to ensuring the five key Value for Money (VFM) procurement objectives are met and continually improved, these are to be:

- Effective;
- Efficient;
- Economic;
- Sustainable; and
- Professional.

Additional Key objectives for 2018 - 21

Delivery of Savings

Supporting the Executive Group in its objective to achieve financial savings as set out in the approved Budget and Financial Forecasts. This will include delivery of best Value for Money to the University, with tangible and verifiable savings that demonstrate the commercial and economic value added by the team and our work in reducing costs whilst not compromising outcomes or delivery.

Implementation of the Procurement Transformation Project

The Procurement Transformation programme has been approved and commenced. The recruitment of the team to the templated structure is targeted for maximum return. The delivery of Phase 1 (Landscape Analysis) occurred to time, and road mapping of Phase 2 (Improvements) is currently on target, under the steer of the Head of Procurement, to become a Best Practice function delivering efficient working practices, high standard of delivery and reporting, and cost savings.

2018/21 Tender activity

Particular priority areas for tendering in the three years to 2021 include a full and deliverable long term plan aligned to a Contracts Register (to be developed) to ensure that the University is in contract with all major suppliers at all times and a managed, sustainable workload that brings benefits to the University. This will then be used as a tool for managing workloads, contracts, and issues effectively.
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<tr>
<th>Objective</th>
<th>Desired outcome</th>
<th>How will we achieve this</th>
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<td>All buyers and those who make the strategic procurement decisions are trained and qualified where appropriate and clear guidance and resources are available to assist them.</td>
<td>Ensuring that Procurement Team staff and others involved in the procurement process are trained in the skills appropriate for the financial level and strategic impact of their purchases. This will be done through training delivered to stakeholders involved in procurement decisions. The Intranet site has been completely redesigned and rewritten with standardised documentation and guidance added. Ensuring the knowledge gained within the team and by buyers within UoK is provided to all through the ‘Procurement Updates’ email list and regular News articles in the Finance Blog.</td>
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<td>Procurement is seen as an enabler of innovation, enterprise and creativity.</td>
<td>Actively seek the views of internal stakeholders and external suppliers to understand their needs and learn from them how we can improve processes together. Delivery of a high quality, knowledgeable service that will exceed previous performance and be legally compliant and operationally effective.</td>
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<td>Risks are noted and reduced /managed where appropriate and UoK Procurement continues to avoid negative outcomes.</td>
<td>Ensuring the balance between efficiency and risk is set correctly and that spend across UoK is monitored to ensure compliance. Training of Procurement staff is sufficient to understand the legal aspects of procurement and dissemination of what we know and appropriate training to internal clients. Areas where there is a high risk of fraud, supplier failure, or other impacts will be vigilantly monitored.</td>
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<td>Procurement involvement in University-wide projects is sought after and leads to improved ways of working. Key suppliers feel a valued partner in assisting the UoK to meet their objectives.</td>
<td>Working within Finance and beyond to look at new and improved ways of working. Procurement will actively seek involvement in projects at an early stage to help deliver efficiencies where possible.</td>
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<td>Buyers and decision makers have the knowledge to make the right purchasing decisions</td>
<td>Ensuring all stakeholders have the knowledge and skills to know where and how they can achieve best value. Information supply will be primarily through UoK Procurement Updates emails, regular category management and stakeholder engagement, our website and visibility and...</td>
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<td>Economic</td>
<td>Sustainable</td>
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<td>Value for Money is achieved with costs driven down and quality improved.</td>
<td>Sustainable policies are embedded in all Procurement activity. The UoK is seen as an opportunity by local suppliers.</td>
<td>Incorporating the principles of sustainable procurement – including the 17 Goals of the SDG Accord - into the procurement cycle with consideration to any socio-economic and environmental implications including Equality, Diversity, Accessibility, and targeting Modern Slavery. Support innovation in waste and energy reduction and assist the UoK to meet our targets on Carbon reductions. Presence at the Environmental Sustainability Forum. Further work will be carried out to ensure full life cycle costs are taken into account when procuring, to avoid more costly short-term decision making.</td>
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<td>Demand management to reduce unnecessary expenditure</td>
<td>UoK Procurement seen as a centre of excellence and partner of choice within our peer group and by suppliers and can deliver</td>
<td>Collaboratively procure within the HE/FE sector and beyond at both national and regional level. Jointly tendering with partners when appropriate. Actively encourage new entrants</td>
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<td>By ensuring all new tender projects deliver efficiency benefits as well as financial ones and looking at and improving current processes when we are looking at new suppliers. Helping schools and departments to obtain best value from their budgets.</td>
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<td>Savings through joint buying projects.</td>
<td>To become UoK suppliers by engaging with and working with local businesses through the B2B forum and other local business organisations.</td>
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<td><strong>Professional</strong></td>
<td>UoK Procurement is seen within The University, the HE sector and beyond as a centre of excellence delivering best practice to buyers and managers.</td>
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<td>By keeping up to date on what is happening within the profession and within the HE sector, through active membership of Chartered Institute of Purchasing and Supply (CIPS), Southern Universities Procurement Consortium (SUPC) and other relevant Public Sector bodies. Regular reviews and benchmarking ourselves against our peers, through the Procurement Maturity study. Communication through the UoK Procurement Forum and Procurement Updates e-mailing list. Recognised internally and externally as a trusted source of good practice, including in PMA assessment scores.</td>
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<td>Professional development of Procurement staff.</td>
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<td>By delivering a service to internal clients that is practical and professional.</td>
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<td>By working with external partners and suppliers in a professional manner.</td>
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<td>Advising University Senior Management of issues and changes within Procurement regulation or other factors affecting Procurement, where there is likely to be a significant impact on the University’s operations, financial sustainability or reputation.</td>
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Mark Reed MCIPS

Head of Procurement

December 2018