

Appendix A - Procurement as a Strategic enabler

<u>Definitions as defined by Ernst and Young.</u>	<u>Caerphilly CBC</u>
<p>Visibility: Developing a crystal clear, detailed, and far reaching insight into business requirements, spending, performance-improvement opportunities, supplier performance and cost structures, global market intelligence, risks and much more</p>	<p>The Authority to have a detailed spend map across the entire Organisation, updated quarterly and reported regularly to P & R Scrutiny for information. Each Directorate to have Procurement plans.</p>
<p>Compliance: Procurement is at the forefront of driving compliance to supplier contracts, legal terms and conditions or compliance to business processes - as an anchor for successful business performance</p>	<p>The Authority will ensure that value is realised through contract management and compliance (ensuring that the benefits of well procured contracts are realised) and good supplier relationship management arrangements are operationalised. Procurement will be delivered within a centralised activity that connects commercial and technical capability to deliver optimal client outcomes. The Authority will use ICT to ensure compliancy and monitor contract leakage. The central team will ensure fit for purpose contracts and frameworks are in place for each Directorate and Service Area to utilise further competitions.</p>
<p>Contribution to bottom line: To be accepted and supported widely, all procurement activities and performance metrics must contribute consistently and clearly to business bottom-lines. Procurement savings must be reflected in the organisations P&L statements and balance sheets to clearly demonstrate procurements contribution to improved business performance.</p>	<p>Be a driver of sustainable savings (when, where, why & how) across the Organisation. Be engaged with the wider Organisation to understand how procurement can drive savings by influencing longer term and more strategic core service delivery improvement initiatives as well as reducing cost across the value chain.</p>
<p>Alignment & Collaboration: Not only does procurement need to create collaborative partnerships with suppliers but to truly create a strategic impact within the organisation it needs to align with internal functions like finance, product development and R&D.</p>	<p>The central team will be a corporate support activity links with other support services and creates cross functional teams to deliver the required outcomes. Development of collaborative opportunities with other Public Sector Organisations as and when this is to the benefit of the Authority and service users.</p>