



FINANCE

Peopletoo working with the London Borough of Barking and Dagenham

Strategic Procurement Service Redesign

Peopletoo, and their partners Human Engine, were engaged to design and implement a new Target Operating Model (TOM) for the Procurement Service across the London Borough of Barking and Dagenham (LBBD). Central to the introduction of a new TOM was the full re-design of the governance process, including the creation of new thresholds, supported by a risk-based approach. This, combined with the coaching of team members to act more commercially, has led to effective and long-lasting transformation to the quality of business cases, decision making, and outcomes for LBBD.

In 2020, the Council undertook a Strategic Procurement review which established baseline performance of the outsourced procurement function. The review highlighted that there was a perception that many key functions were charged back to front-line services as 'additional' and not covered by the lump sum. Recognising this, the Council acted to bring the procurement team back in-house to improve control and oversight and reduce costs. Peopletoo were commissioned to design and implement the recommendations of the programme with the key focus of ensuring that support from the procurement team directly added value to the process of procurement and commissioning. This includes delivering benefits for communities through increasing opportunities to local SMEs and through timely support to major strategic contracts.

As such, the Peopletoo approach focused on undertaking several workshops with the procurement team to develop skills that ensured they were engaged and owned the new approach. This included the development of:

- A purpose and vision for the team that identified their new roles and responsibilities;
- Introduction of a risk-based approach to the support provided by the procurement team which ensured they added value to the procurement and commissioning process;

- Revised governance thresholds which would simplify procurement processes and ensure compliance;
- Clear and concise process maps to support the new thresholds;
- Intranet pages and a training programme to ensure provision of information and facilitate a 'self-serve' approach.

We are already seeing tangible and sustainable benefits being delivered. Improved clarity, efficiency and compliance are demonstrated in how we have reduced 8 previous procurement thresholds down to 3 and introducing a Gold/Silver/Bronze level of risk-based support, which aligned to the Councils existing risk framework. Fundamentally, our work has established a new in-house procurement service to deliver future commercial savings: this has changed the relationship between corporate procurement and services which is 'self-served' whilst being 'centrally-overseen'.

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