



Manchester
Metropolitan
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MANCHESTER METROPOLITAN UNIVERSITY

PROCUREMENT STRATEGY 2019



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THE CHALLENGES

This Procurement Strategy comes at a time when the financial sustainability of the Higher Education sector is facing more challenges than ever. The unknown impact of a post-Brexit UK, potential changes in student funding and the competition for attracting students from a decreasing pool of 18 year olds could all impact considerably on the funds the University has available to spend on teaching and research, capital development, estate maintenance, student services and operational services and systems.

The role of procurement as an influencer is increasing in the HE sector, with early procurement involvement enabling market engagement, collaboration and innovative supply solutions to be explored that better suit the changing economic, social and political climate.

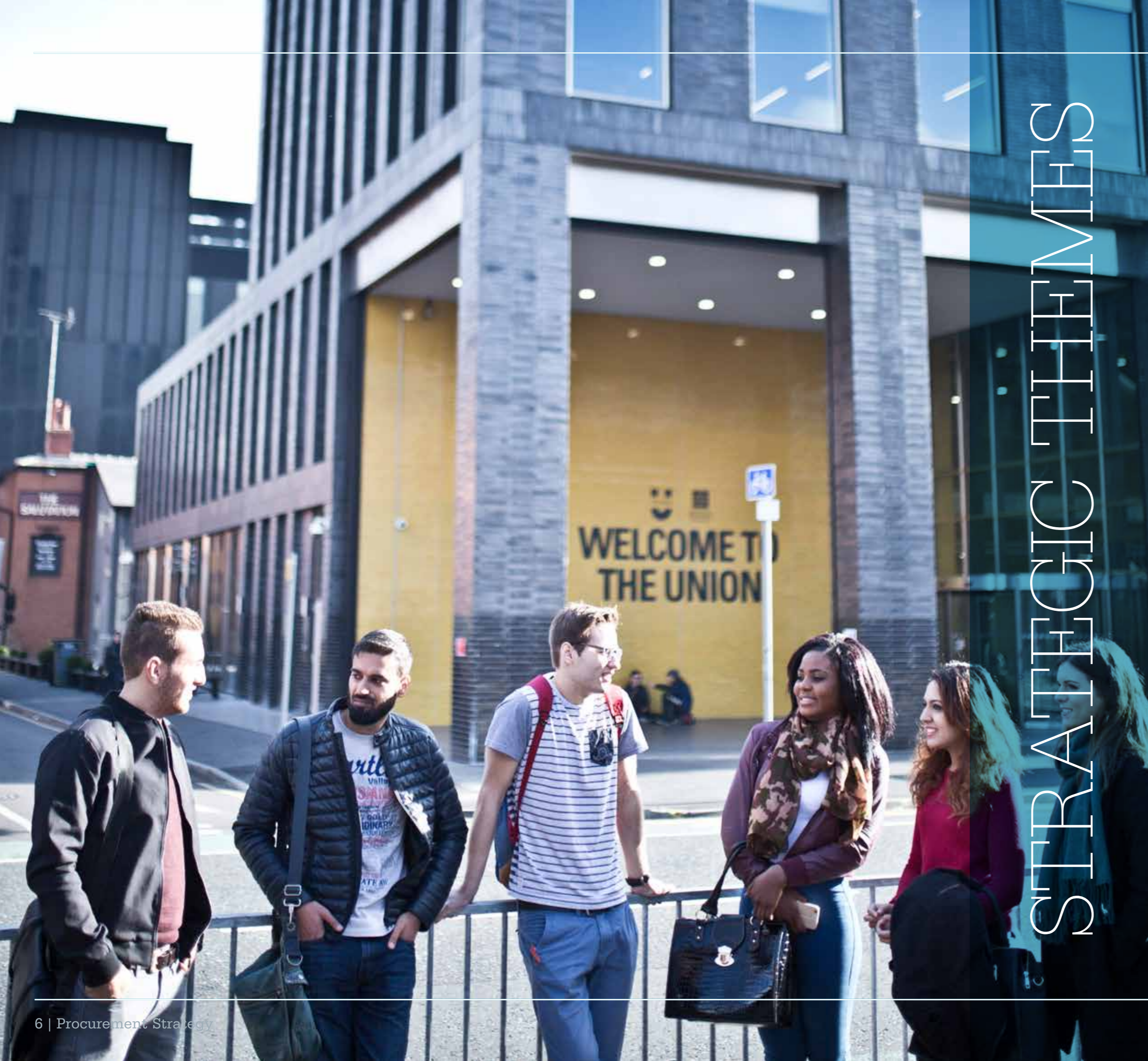
In the Office for Students, the sector now has a regulator with a keen eye on how institutions provide value for money to students.

We know that students have choice; choice of country, choice of university, choice of course, choice of accommodation and even the choice of catering outlet. We must do all we can to position ourselves as a University of choice.



OUR VISION

Our vision is that procurement is an innovative and dynamic process, which ‘through early market engagement and collaboration’ demonstrates our influential role in shaping and responding to the changing economic, social and political climate.



STRATEGIC THEMES

This Procurement Strategy is aligned to fully support the objectives contained in the wider University strategies as well as contributing to the Universities five strategic themes.



Place

Our Procurement Strategy will help establish the University's place in the city by building relationships with partners, suppliers and communities who share the same drive and spirit that contribute to making the city a better place to live, learn and work. We will work with the city and national partners to influence policy, support initiatives locally and nationally, whilst driving forward changes we believe in.

We will create opportunities for local businesses to win work with the University, by removing obstacles and providing clear guidance and support to them through business-to-business events, drop in sessions, tender workshops, early market engagement and creating opportunities for development with the Business School where support, knowledge transfer or additional resources are identified.



Ambition

Our Procurement Strategy is ambitious, as we aim to make a difference in the way we work with our suppliers by developing new and innovative ways of procuring contracts, that make working and bidding for work with the University easier, by removing barriers to success that many start-up and small and medium enterprises have traditionally encountered.

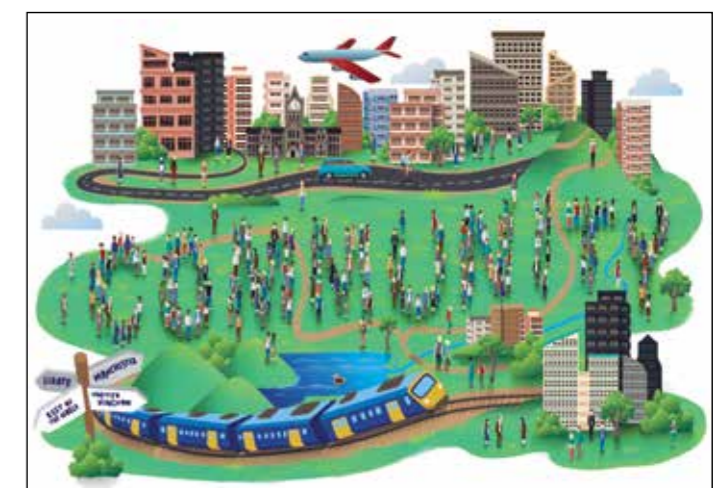
We aim to include ambitious targets in our contracts that cover performance, quality and value for money. Embedding these targets in our contracts makes a difference in how we manage those suppliers working on our valuable assets, through developing better ways of working and removing unnecessary cost or duplication from our supply chains.



Partnership

As a university, we already work with other Higher Education institutions, our Local Authority and the NHS through a range of successful consortia arrangements and will continue to do so, but, we will specifically look to identify similar minded partners to work with on future opportunities, where a collaborative approach benefits all parties.

Partnerships can present opportunities for mutual benefit that aren't always accessible to us as individuals and we will continue to work on building stronger relationships that enhance our learning and provide opportunities for shared economies and efficiencies.



Community

Our Strategy embraces the principal of bringing a sense of community into the University, through developing close working relationships with local and small businesses, community interest groups, researchers and local HE/ Public Sector partners.

These communities will be encouraged to contribute to what we procure and how we procure our works, goods and services, giving them the opportunity to challenge the way we operate and to influence positive change in how our contracts impact on those communities.



Sustainability

The Public Services (Social Value) Act, introduced in 2013, gives us the opportunity to consider how we can secure wider environmental, economic and social benefits within our contracts and our Procurement Strategy identifies these social benefits as three intertwined strands supporting sustainability.

The University needs to continue to strive to deliver value for money and to meet the highest environmental sustainability standards while meeting student, staff and stakeholder needs.

For **Environmental Sustainability** we recognise the importance of how the things we buy impact on our environment, whether that is the goods we buy; transportation; packaging; the waste we dispose of or the source of the raw materials.

Using the University's Environmental Sustainability Strategy as a framework, we will champion sustainable and ethical procurement with colleagues, communities and suppliers, continually identifying opportunities to reduce our environmental impact.

In addition, through its significant estates investment, the University will make a significant contribution to the wider Manchester economy and create quality buildings and public spaces in line with the city's own aspirations.

With **Economic Sustainability**, competitive processes are a mainstay of delivering value for money, but that doesn't mean buying the cheapest. By considering both price and quality when awarding contracts, we will encourage suppliers to tender financially sustainable solutions, rather than cutting quality to be competitive.

By acknowledging that our suppliers need to build sustainable businesses, to re-invest in their people, their business and our communities, we can create long-term relationships that provide opportunities to challenge existing ways of working, creating and inspiring change.

As employment in all fields is becoming increasingly focused on portfolio working, we will help students in ensuring that they are able to access flexible, short placements where appropriate, and support them in developing portfolios of work experience and transferable skills.

To deliver **Social Value** we will incorporate opportunities for creating Social Value into all of our contracts, encouraging our suppliers to offer opportunities for employment, training, placements and work experience to our communities and students. We will encourage them to be transparent about their supply chains, ensuring compliance with the Modern Slavery Act, Health and Safety and good working practices are assessed as part of the tender process.

In these uncertain economic times, students are considering their short and long term financial futures and value for money plays a big part in their choice of university.

Value for money is at the heart of a strong procurement strategy. Quality and cost go hand in hand when we decide who to spend our money with and what to buy. Being able to deliver value for money through procurement, supports the University in providing the courses, the buildings and the services that students choose.

At the start of a procurement process, we will establish clear measurable Value for Money (VfM) objectives with the stakeholder, which considers budget, time and resources.

Value for money does not mean choosing the lowest price service or cheapest product, value for money is an assessment of the price the University is willing to pay for the quality of the product or service that most closely meets its requirements.

Establishing these VfM objectives on a contract-by-contract basis – whether that objective is to reduce cost, improve efficiency and effectiveness or improve quality – enables the outcomes to be measured against the established objectives, captured and then benchmarked with other Universities through the Annual Procurement Value Survey (PVS).



STRATEGIC OBJECTIVES

The implementation of an effective yet challenging procurement strategy enhances the opportunity to optimise the skills and expertise of central and devolved teams engaged in procurement, ensuring the strategy is applied consistently. This provides a great opportunity to influence positive outcomes and ultimately achieve our strategic objectives:

1. Create and support opportunities for local businesses to win work with the University.
2. Include ambitious targets in our contracts that cover performance, quality and value for money.
3. Build stronger relationships that enhance our learning and provide opportunities for shared economies and efficiencies to be generated.
4. Influence positive change in how our contracts impact on our communities.
5. Identify opportunities to reduce our environmental impact.
6. Establish clear, measurable Value for Money objectives.



MONITORING, REPORTING AND GOVERNANCE

Strategic objectives will be measured and recorded on a project-by-project basis, with an annual report covering all projects submitted to the University's Audit Committee.

Procurement value will be measured and benchmarked using the Annual Procurement Value Survey (PVS) submission and published on our Procurement Internet Page

Steve Everitt

Assistant Director of Procurement
– August 2019

2019/20 KEY COMMITMENTS

Commitment	Current Position	Target Position	Benefit
Develop the procurement team to achieve Level 4 of the Flexible Framework for Sustainable Procurement	Level 3 of the Flexible Framework for Sustainable Procurement	Level 4 of the Flexible Framework for Sustainable Procurement	Improved understanding and delivery of sustainability in contracts
Move from a buyer role to a category management approach within procurement	Buyers work across a range of projects and not specific categories	Category managers manage dedicated categories	Improved technical and budgetary awareness
Increase in the use of Greater Manchester-based suppliers	In 2017/18 we used 926 GM suppliers with an average of £41,875 per supplier	Increase the use of/spend with GM based suppliers by 5%	Support the development of the GM economy and sustainability
Increase procurement savings on impactable* spend	Savings of 3.4% reported for 2017/18 Procurement Value Survey (PVS)	Increase reported PVS savings by 10% year on year	Cost reduction

*Impactable spend is spend less salaries, fixed assets profit/loss, payments to other institutions, studentships, SU funding, internal tuition fees, overseas recruitment, student grants, bursaries, placement expenses

We have identified a number of key commitments that we will strive to achieve in 2019/20, which will drive continuous improvement in the important role procurement plays within the University and the wider economy.

