

## Case Study | London Borough of Enfield

*'Refocusing procurement to deliver cashable savings and release resources to front line services'*

### Summary

LB Enfield is a north London local authority with a strong reputation for prudent financial management and delivery of top quality services to its 280,000 citizens. It relaunched its corporate procurement team four years ago, and wanted to achieve an ambitious programme of cashable savings from its £300M+ spend over three years with the full support of its service departments. It also wanted to ensure that commercial skills would become widely accessible to its service departments and that far greater effort was put into cross sector collaborative working.

### Business Challenge

Most local authorities responded positively to the National Procurement Strategy (NPS) published by the (then) Office of the Deputy Prime Minister (ODPM) in 2003. The main thrust of the NPS was about persuading local councils to set up a dedicated and professional procurement organisation with a view to improving the management and control of third party expenditure. Enfield responded accordingly and set up its own corporate team which has achieved most of these goals.

In recent years, the downward pressure on local government spending expressed through the Comprehensive Spending Review (CSR) and reduced financial settlements has meant that local authorities need to concentrate far more on the delivery of cashable savings. This has led to the need to refocus existing procurement organisations, bringing them closer to the service departments (budget holders) while encouraging far greater collaboration through cross sector working.

Making such changes and putting them into practice in a short time frame was not going to be easy as it involved significant cultural changes as well as approaching contracting from a different perspective. The difficulties that all London councils face in recruiting and retaining people with sound commercial skills and knowledge was likely to present an additional challenge.



### Business Solution

SPS Consultancy Services was engaged to produce a **Three Year Procurement Plan** which would set out how the transformation would be made, as well as identifying the most fruitful areas for targeting cashable savings. As with all projects of this nature, SPS needed to ascertain exact expenditure information, particularly in relation to exactly what the money was spent on, before it could actively engage with service departments. Working with the Council's IT department, data extracts were obtained from the SAP system which were then analysed by SPS to reflect spend for each service department.

## Case Study | London Borough of Enfield

Once this had been done, two hour workshops were held with each major spend department to ascertain their policy issues, business priorities and future opportunities. The SPS Project Leader said, *“it was soon evident that there were lots of people working in the service departments who could make a real difference. The challenge was to get people to understand exactly what modern procurement was about and how far more could be achieved through better planning at the outset and tighter contract management once major contracts had been let.”*



The Three Year Plan covered six aspects of procurement including collaboration, capacity/skills and planning systems.

*“We were pleased that most of what we needed to achieve was already in place. What SPS was able to do was to help us fill the gaps and tell us what we needed to do to target the cashable savings”*

**Linda Banner, Head of ICT at Enfield**

### Outcome

The Three Year Plan was endorsed by the Enfield's Corporate Management Board (CMB) in January 2009, and included a savings programme.



*“CMB were really pleased with outcomes believing them to be realistic and relevant with the continuing downward pressure of budgets and the funding expected in the coming years. SPS were really good to work with, responding to our requests, dealing with our concerns and helping us with our need to make procurement mainstream. They were extremely good value for money in every respect and have made a significant contribution to our thinking on what a modern procurement organisation should look like.”*

**James Rolfe, Director of Finance**

### For more information

Contact SPS on **01784 895040** or  
email us at [info@sps-consultancy.co.uk](mailto:info@sps-consultancy.co.uk)