Project Brief Template

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| **Project Name** | Contracts and Third Party Spend |
| **Document Date** | 06/02/2024 |
| **Document Ref** | COM001 |
| **Raised By** | Simon Bishop & Max Beckett |
| **Project Sponsor** | Gerard McCleave |

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| **Purpose of the Project** |
| To identify and deliver improvements from the council’s third party spend, including: cashable savings realised within the General Fund; improved quality and outcomes for residents; social, environmental and local economic benefits |

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| **Project Scope** |
| **In Scope**   * An opportunity analysis produced based on the Top 50 value contracts. * An opportunity analysis produced for off-contract and tail spend (spend below £5k). * Analysis of categories of spend known to be often fragmented in local authorities, e.g. Facilities Management * The above lines to be presented by way of a single consolidated report * Based on analysis described above, a Project Mandate to be produced for the major opportunities identified (maximum of 20). * An indication for the investment costs over the next 3 year period of the project.   **Out of Scope**   * Business Cases (‘5 case’ or otherwise) for identified opportunities * Procurement TOM and Procurement Act Readiness * Contract management practice, tools and methodology * Strategic Commissioning * Category management plans * Implementation Plan |

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| **What happens at the end of this phase of work?** |
| By the end of this phase of work:   * The Council will have a detailed opportunity analysis report and up to 20 project mandates detailing the major opportunities where cashable savings can be achieved within contracts and third party spending. * A clear indication of the investment costs required to achieve the savings identified   It will be clear on what the opportunities identified are, where they can be achieved and how to proceed to the next stage in delivery of the savings. |
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| **Project Type and Estimated Time/high level plan** |
| |  | | --- | | Linear Project | |  | | **Initiation** ; Form governance; agree scope, lines of enquiry and deliverables for inclusion in this Project Brief; confirm risks, assumptions, issues and dependencies; set up all relevant meetings including draft ToRs | | **Deliverables and Activities (February/March):** Data analysis on the Top 50 contracts and an opportunity analysis produced. Stakeholder meetings to be held with relevant contract owners to assess opportunities.  Tail spend and off-contract spend analysis will be conducted and opportunities will be identified.  Category management analysis will be undertaken within the limitations of the data and opportunities will be identified.  All opportunities will be identified, then synthesised to ensure there is no duplication.  Opportunities will be tested with subject matter experts/ contract owners or managers to seek agreement to proceed in developing project mandates. | | **Deliverables and Activities (March):** Based upon the opportunity analysis undertaken in delivery stage one, produce a series of Project Mandates for major opportunities (Maximum of 20). | | **Deliverable and Activities (April – up to 26th):** RegularEngagement with Luton to confirm the drafted Project Mandates. Determine potential investment costs to achieve savings. Gain sign off from Programme Board on all mandates | | **End Discovery Stage- end of April** | |

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| **Critical dependencies, constraints, assumptions** |
| **Dependencies**   * There are key critical dependencies with this project and ongoing work within Procurement to achieve a target operating model, the revised strategic commissioning function and how Luton will prepare in readiness for the Procurement Act implementation in October 2024. These are all change management projects in the commercial domain and will impact upon contract management.   **Constraints**   * Luton Borough Council’s contract data availability and accuracy – bound to 2022/2023 contract data. * People capacity within Procurement and Finance at Luton. * Time constrained by this phase of the project being completed by 26th April.   **Assumptions:**   * Data will be provided along with any other requested information to enable opportunities to be identified accurately * Spend categories will need to be derived from the ledger code within the spend report and identified categories will need to be approved by the Project Task and Finish Group * Staff and resource will prioritise work for this project to enable us to meet the tight timescales for delivery |

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| **Key Risks and Dis-benefits** |
| |  |  |  | | --- | --- | --- | | Risk | Likelihood (1-5) | Impact (1-5) | | Due to: The current spend and contracts data being very fragmented  There is a Risk: We don’t receive reliable data, in the right format in a timely manner  The Impact: Reduced ability to effectively conduct the data analysis and there will be a need for a data cleansing and categorisation exercise | 4 | 4 | | Due to: there is not a complete data set which includes spend categories  There is a Risk: we cannot accurately using Pro Class categorise third party spending.  The Impact: impaired ability to conduct a thorough category management analysis to produce an opportunity analysis |  |  | | Due to: The capacity within LBC teams, particularly Procurement  There is a Risk: The availability of the Procurement Team’s time is limited  The Impact: Reduced resource on the project than initially expected and therefore timeframes are delayed and opportunities not robustly identified to meet financial targets | 4 | 4 | | Due to: The current economic climate  There is a Risk: Savings proposals become less achievable  The Impact: Reduced financial savings as a result of the project | 3 | 5 | |

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| **Project Benefits** |
| |  |  |  |  | | --- | --- | --- | --- | | **Benefits After Discovery Stage** | | | | | **Description** | **Observable Outcomes** | **Attribution** | **Measurement** | | Up to 20 identified opportunities within contracts and third party spend | Contract Owners, Contract Managers and Commissioners engaged with to fully understand the opportunities identified | Fully | Opportunity tracker and project mandates completed for each opportunity | | Report on the methodology for opportunity identification including the validation and qualification of the opportunities | Completed report and endorsement/ approvals from services who own the opportunities | Fully | Completed report detailing methodology used and opportunity tracker | | An evidence-based quantification of the resources required to achieve the opportunities identified | Project Mandates will detail resources required | Fully | Project Mandates |  |  |  |  |  | | --- | --- | --- | --- | | **Benefits of the Completed Project** | | | | | **Description** | **Observable Outcomes** | **Attribution** | **Measurement** | | Realised benefits:   * Contract savings will be able to be reinvested and support costs of vital services across the organisation when funding continues to reduce, and financial savings are required. * Savings will not be realised in this period, but opportunities will be identified to realise benefits within the 3 year period. | Demonstrably lower costs | Fully | Benefits tracker | | Non-pecuniary benefits:   * This project will identify Luton’s current contract management maturity level and identify methodologies for maturation to maximise value from contract management. | Clearly identified contract management practice where maturation is required | Fully | Benefits tracker | |

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| **Project Stakeholders and Resource** |
| Complete the below RACI (this will inform the Communication Plan in the PID)   |  |  |  |  |  | | --- | --- | --- | --- | --- | | Person or team | Responsible | Accountable | Consulted | Informed | | Project Sponsor – Gerard McCleave |  | X |  |  | | Programme Board – Gerard McCleave, Simon Bishop, Chloe Rickard, Max Beckett, Johnny Hunt, Catherine Southern, Lisa Hooper, Helen Cavanagh, Darren Lambert, Atif Iqbal, Atika Chowdhury, Jill Britton, Sinead McNamara, Clive Roberts |  | X |  |  | | Project Manager – Simon Bishop | X |  |  |  | | Subject Matter expert – Simon Bishop, Chloe Rickard, Catherine Southern, Lisa Hooper, Helen Cavanagh |  |  | X |  | | Project Task & Finish Group – Max Beckett, Chloe Rickard and Johnny Hunt, Catherine Southern, Darren Lambert, Helen Cavanagh, Lisa Hooper, Clive Roberts, Justus Nyangi, Other Commissioners as needed | X |  |  |  | | Wider stakeholders - other Commissioners |  |  | X | X | | Wider stakeholders - Commercial Board |  |  |  | X | | Wider stakeholders- All Contract Managers |  |  | X | X | | Wider stakeholders- Suppliers |  |  |  | X |   Resource: Council Departments that will need to be involved in the Project (this can be use to create a resource heat map across projects to ensure work is scheduled to avoid overly burdening departments across projects)   |  |  |  | | --- | --- | --- | |  | Is this department involved? Yes/No | Low, medium or high involvement? | | HR | No |  | | Legal | No |  | | Finance | Yes | High | | Place | Yes | Low | | Highways | Yes | Low | | Education | No |  | | Waste and Recycling | Yes | Low | | Social Care | Yes | Medium | | Amenity Management and tree work | No |  | | Local Authorities and Social Housing Landlords | No |  | |

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| **Project involves processing of personal data?** |
| Human Engine is in contract with Luton Borough Council and is under contract to share sensitive data, where needed. Human Engine will be the Data Processor under the following principles:   * Subject matter of the processing – Personal data relating to staff and service users; subject matter is a wide variety and could include special category data such as health and disability. * Types of Personal Data – wide variety and could include special category data such as health and disability * Categories of data subject – Staff, members of the public and businesses |

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| **Associated Documents** |
| There is already an Excel document which details the scope for this review which was produced by Darren Lambert in Finance. This formed the basis for the analysis for the previous OBC and will be used as the main source data for this project.  There will also be minutes from Commissioning Boards where they have considered key contracts. |

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| **Project Sponsor’s Signature** |
| **Signature:**  **Name:**  **Job Title:**  **Date:** |