



Crown
Commercial
Service

East of England Finance Summit

15 June 2017

How to build commercial expertise – what we are doing in central government

Sam Rowbury, Director of Policy and Public Sector
Crown Commercial Service



The case for improving commercial capability

EXTERNAL FACTORS

1. AVAILABILITY OF COMMERCIAL TALENT

Shortage of commercial expertise in the market, and Government needs to compete with Private Sector to attract and retain talent. Therefore, there is a need for an appealing and flexible reward offer to attract and retain the best senior commercial talent



4. LARGE VOLUME OF EXPIRING CONTRACTS

There is significant commercial activity that needs effectively leading and managing with **195 large strategic supplier contracts** due to expire within the next 5 years

6. IMBALANCE OF SENIOR AND JUNIOR CAPABILITY

There are **too few experienced, commercial people with the right skills & knowledge** and, in addition, the current remuneration and grading system is a significant barrier to recruiting and retaining the right calibre of commercial staff



8. CAREER PATHS & DEVELOPMENT

The National Audit Office and Public Accounts Committee recommended Cabinet Office take concerted action to **increase the attractiveness of careers** in commercial disciplines. This is supported by the Civil Service Workforce Plan 2016-2020



5. INCREASING COMPLEXITY OF COMMERCIAL ACTIVITY

Government continues to spend significant sums on third party contracts (£44bn in FY15/16) and delivery of this is becoming more complex with **less reliance on large contracts** with a small number of suppliers



7. RE-BALANCING COMMERCIAL EFFORT AND IMPACT

More time and effort should focus on market shaping and contract management, throughout the end-to-end commercial cycle. 'Commercial' also needs to **develop its impact at the 'top table' of Government** and align its efforts to Government priorities



9. INSUFFICIENT FOCUS ON COMMERCIAL CAPABILITY

External reviews have identified that substantial value has been lost because of **insufficient senior commercial capability**, and there's been no central cadre to drive improvements to the commercial discipline



EXTERNAL FACTORS

3. CHANGE IN EXTERNAL LANDSCAPE

Frequent and significant change in the external environment e.g. the digital revolution and the UK's exit from the EU means the Commercial needs to **adapt to this rapidly changing landscape**.

The types of services, and contract design, will change meaning how the Civil Service operates will need to change

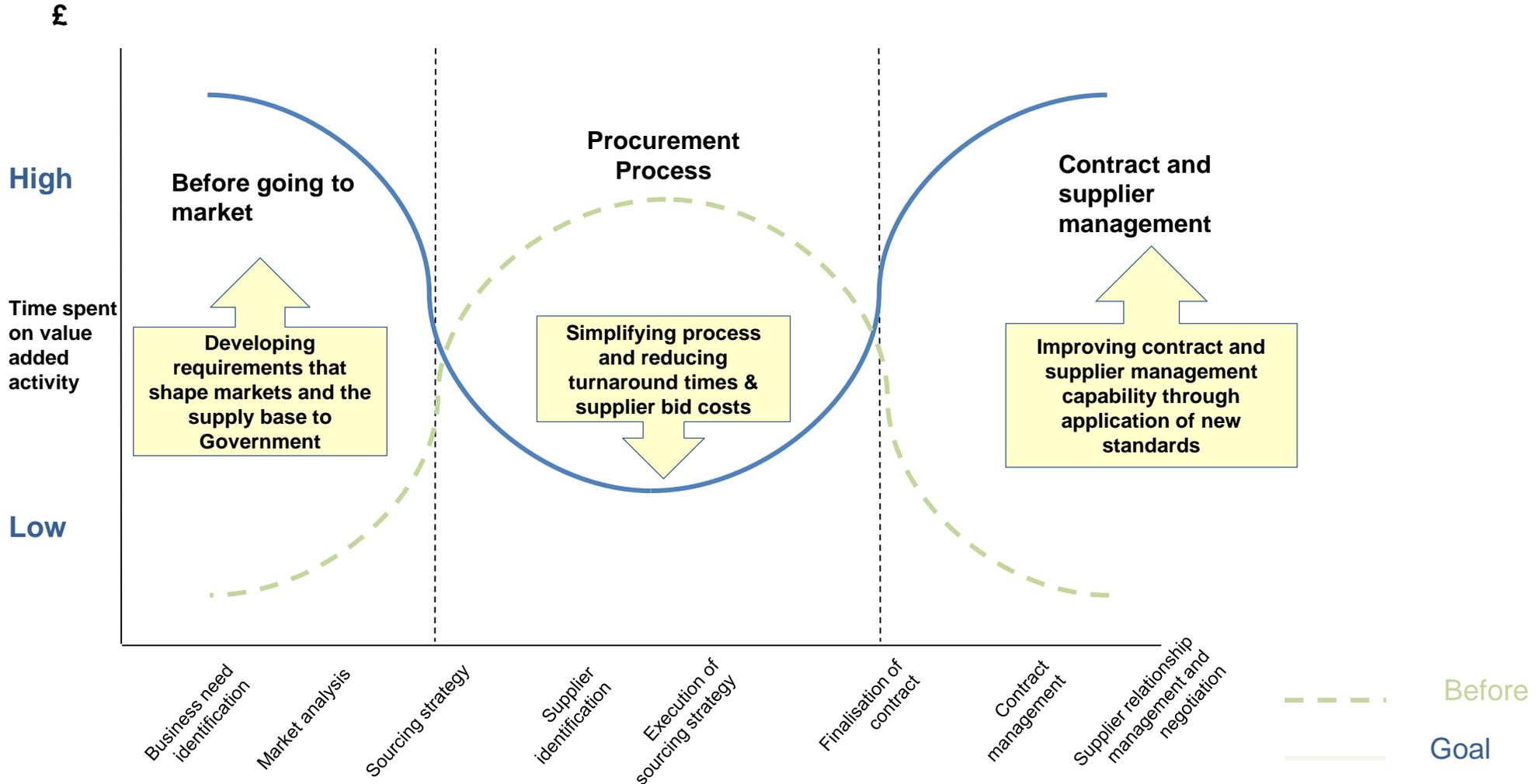


2. NEED TO DRIVE GREATER VALUE FOR MONEY FOR THE TAXPAYER AND MEET THE INCREASING SERVICE DELIVERY EXPECTATIONS OF CITIZENS





Re-balancing commercial effort and impact





What is in the Government Commercial Function?

The function leverages 'shared' resources to maximise effectiveness of departmental buying teams

Department Commercial Teams

- Buying mission specific goods and services, undertaking performance and contract management
- Deep understanding of policy and business areas
- Responsiveness and flexibility
- Efficiency and Continuous Improvement

Crown Commercial Service

- 'Go to' provider for 'common goods and services' for Central Gov't and WPS
- But not doing bespoke work that should better be back in Departments

Central Commercial Teams

- Commercial Standards that drive consistency and better performance
- Expert support for high-value complex transactions
- World-class Supplier Relationship Management
- The ability to attract, retain and reward the talent we need



The Knowledge Hub for public service professionals

To get started, register with Knowledge Hub, complete your profile and join the GCF Community.

The GCF Community

- A network of like-minded people with an interest in commercial activity
- Aim is to share experiences and knowledge as one commercial community
- For everyone who contributes to the delivery of commercial outcomes
- Register at <https://khub.net/register>
- Read more at <https://khub.net/gcf>



GET INVOLVED

Join the central discussion group for ALL staff.



PROFILE

Complete your profile and add a photo.



GET STARTED

Need support using the GCF Community? Get help.



NEWS

Catch up with the latest community news.



EVENTS

Find out about forthcoming community events.



CHANGE EMAIL NOTIFICATIONS

Set and manage your email notifications.



ABOUT

Learn more about the GCF Community.



CONNECT

Find people you know and connect with them.



BEST PRACTICE

Find the latest GCF best practice tools in the best practice zone.



Crown Commercial Service: let us take the strain

Our Purpose

CCS supports the UK public sector to achieve benefits, including savings, by developing commercial solutions for the procurement of common goods and services, and by working with customers to deliver savings initiatives.

We also take the lead on implementing ministerial commercial policy priorities.”

Our Vision

CCS, as part of the Government Commercial Function, seeks to be the provider of choice for the public sector, the UK’s most admired commercial operation – a great place to work – delivering outstanding value and excellent service”



We have deep category expertise

Technology



- cloud & digital
- network services
- software licensing
- technology products & services

Corporate Solutions



- travel
- fleet
- office supplies
- information content management
- communications
- financial services

Buildings

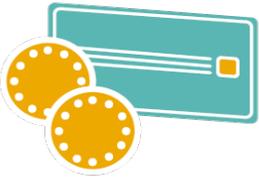


- facilities management
- property maintenance and repair
- utilities – energy and fuel

People



- permanent & temporary staff (including health workers)
- outsourced services (such as language & employee services)
- advisory services



£12.8bn public sector spend through CCS deals in 2015/16



1,400 customers across central government and the wider public sector



2,600 suppliers (60% SMEs)



c£750m commercial benefits c£447m for central government and c£295m for wider public sector customers (2015/16)

Savings for our customers



We helped 34 local authorities save £8.8 million on hardware – **by working together to increase their buying power**



We saved a group of London borough councils £750,000 on their postal services – **the equivalent of running 4 libraries for a year**



An NHS trust saved over £2 million on its medical locums through our Locum Doctors agreement – **the equivalent of 38 doctors**



Another NHS Trust saved £78,000 on electricity – **the equivalent of 3 physiotherapists' salaries**



A group of 5 academies saved £40,000 on their insurance – **the equivalent of 3 teaching assistants' salaries**



- **Co-designed**
 - Designed with input from 60+ commissioners
 - Peer-led learning to share knowledge and build a network of support
 - About public service transformation
- **5 Academy days spread over 4-5 months** covering:
 - Core aspects of commissioning via master classes, workshops, site visits
 - This is not a traditional training programme. We share and debate latest ideas, policy and practical experience via expert speakers and the senior participants themselves
 - There is a focus on **Practical implementation** via the 100 day action plan
 - Contact info@commissioning.academy or call 020 3771 2608
- **Cohorts comprise:**
 - 25-40 Senior commissioners and relevant stakeholders (such as procurement) sponsored by senior executives
 - All areas of the public sector; cohorts are designed to achieve a diverse mix



Commissioning Academy products

Following the Central Academy, we help alumni (sometimes lone voices in their organisations) to accelerate the pace of change, via a portfolio of products.
Different products suit different organisational cultures and levels of maturity in terms of commissioning practice

Central Academy
*Peer-led learning with access to experts from around the country.
Builds an alumni of experienced commissioners to promote resilience*

Academy for Elected Members
*Can provide the strong mandate needed by the alumni to change practices
Can increase pace of change*

Themed Academies
Focuses on increasing the pace of delivery of a specific policy or within a specific audience

Local Academies
*Enables a cross-sector group to implement commissioning practice across a whole region

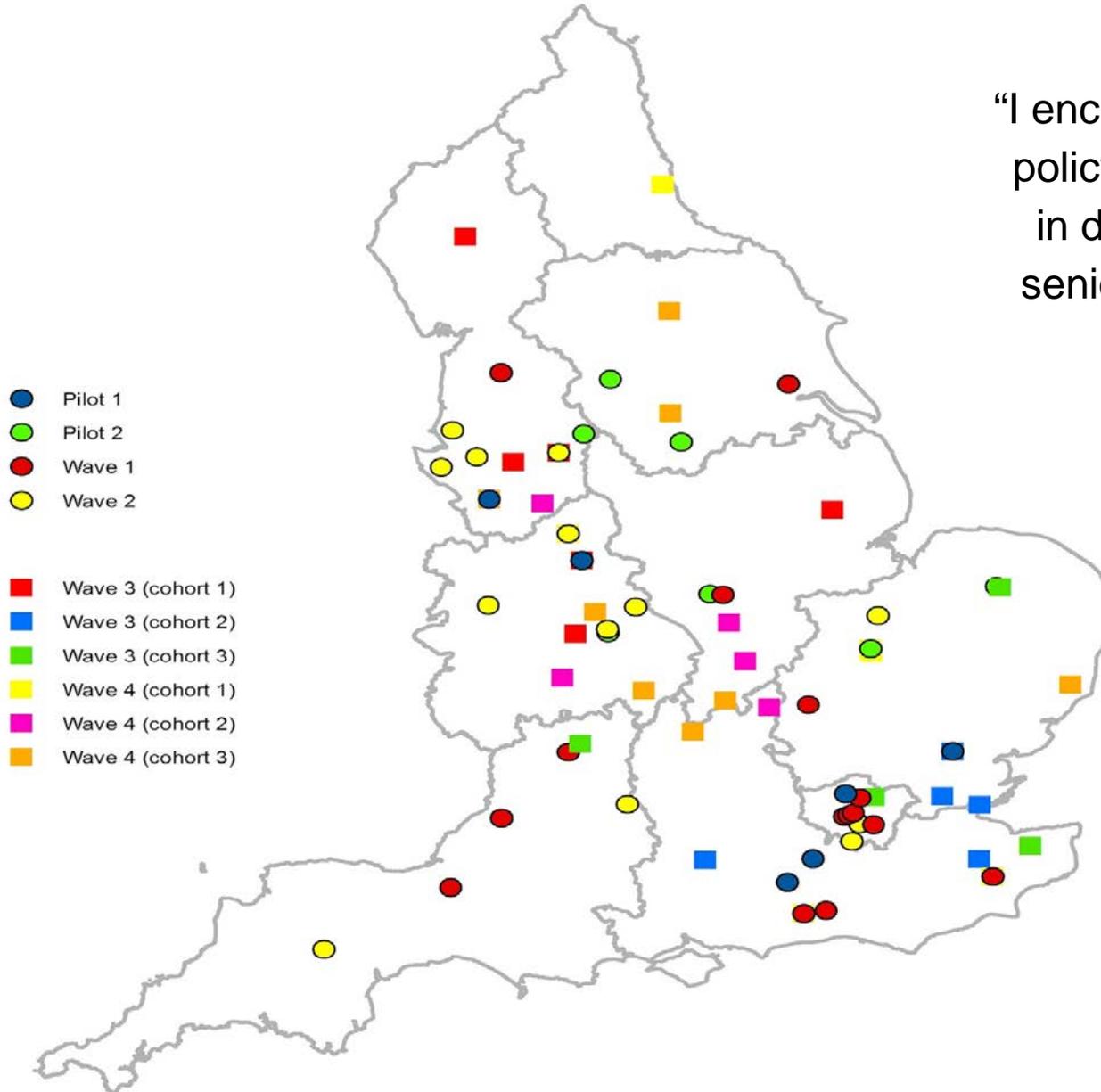
Participants work on specific, place-based projects together throughout the programme via the 100 Day Plan*



The Alumni Network

“I encourage commissioners and policymakers to participate, and in doing so to join a network of senior professionals with whom you can continue to share, debate and learn.”

Rob Wilson,
Minister for Civil Society





Crown
Commercial
Service

Questions