

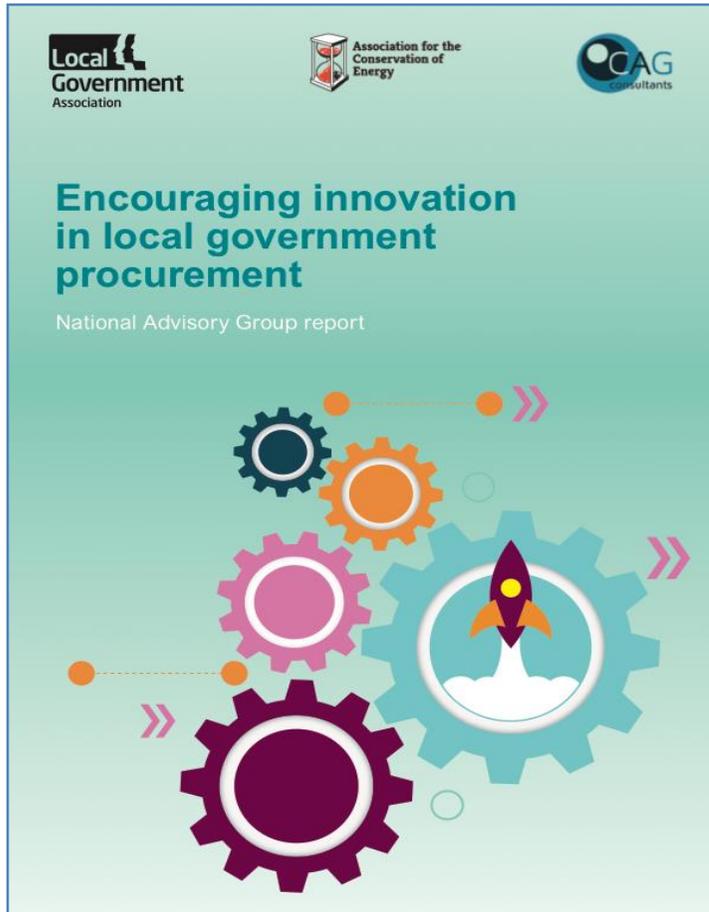
Public Sector Procurement: Driving Innovation

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22nd November 2018

Overview

- LGA Initiative – Encouraging Innovation
- The National Procurement Strategy
- Council Plan 2018-2022
- Funding and Active Challenges

The LGA Initiative



- Position innovation as key to service transformation
- Examine current policies and practices
- Identify strategies, policies and processes
- Integrate social value
- Recommendations to practitioners and policy makers

Working Group launched mid 2016
Included practitioners, providers and policy makers
Wide ranging interviews and visits
Report published Sept 2017
Available on [LGA Web Site](#)

Changing Culture, Managing Risks

Some quotes from LGA Report Contributors

“There is a lack of awareness in local government of the opportunities that exist in innovation”

Local Government leader

“All council members and senior decision makers need to create a culture for innovation, accepting that failure is ok”

Local Government leader

“The risk of trying a new thing, through an innovative process, is small compared to maintaining the same ineffectual approach”

Potential Supplier

LGA: Phase 2 - Implementation



Set out a robust policy framework

Promote the role of local government in the innovation economy with decision makers across Government and where appropriate, devolved administrations.

Promote innovative approaches

Raise awareness of the issues and benefits of embracing innovative commissioning/procurement approaches and tools to promote best practice.

Develop practitioner leadership

Active engagement of procurement practitioners.

Innovative Procurement as change catalyst

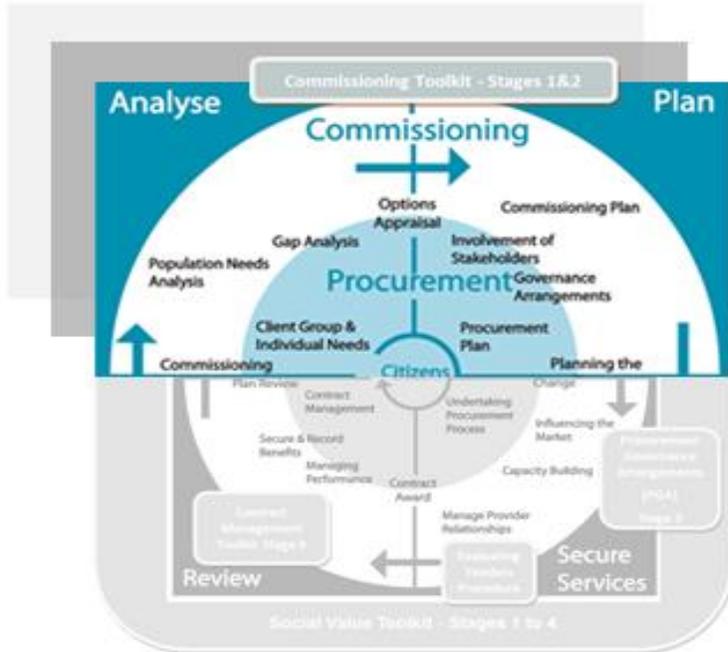
- Welcome innovation and new ideas
- Designated innovation leaders
- Rethink procurement as innovation driver

“There needs to be more research and challenge based exploration in procurement”

Supplier active in innovative projects

Mainstreaming Innovation

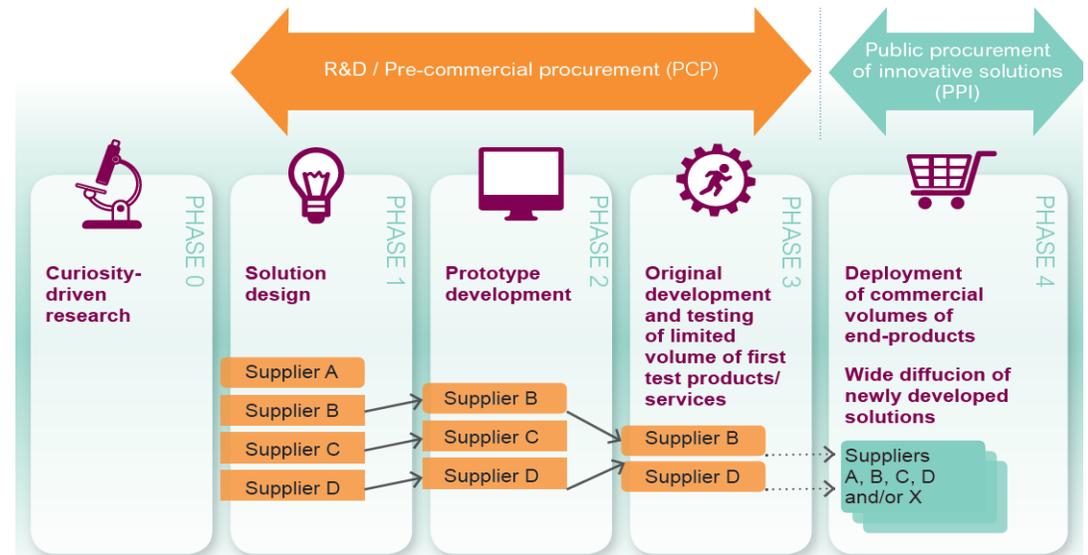
Commissioning Stages 1&2 Analyse & Plan



“The innovative thinking needs to start at the beginning of the commissioning cycle”

“Commissioners should think about adopting new and creative solutions for the challenges they are facing”

The PCP Pathway for Innovation



Innovation & Social Value

- Social value delivery and innovative commissioning are natural partners
- Innovative procurement processes work for services and embrace social value goals
- Citizen engagement can reveal unmet needs

“Commissioners should think about adopting new and creative solutions for the challenges they are facing”

From Social Value Act Review February 2015

Engaging Innovative Suppliers

- Reach out to innovators in small and large companies
- Engage strategically through technology scanning and foresight activities
- Avoid inhibiting or intimidating small companies
- Consider Intellectual Property issues early and use Innovate UK guidelines on IP ownership

“Suppliers must develop the strategic and organisational frameworks to respond with newer and better solutions”

Major supplier

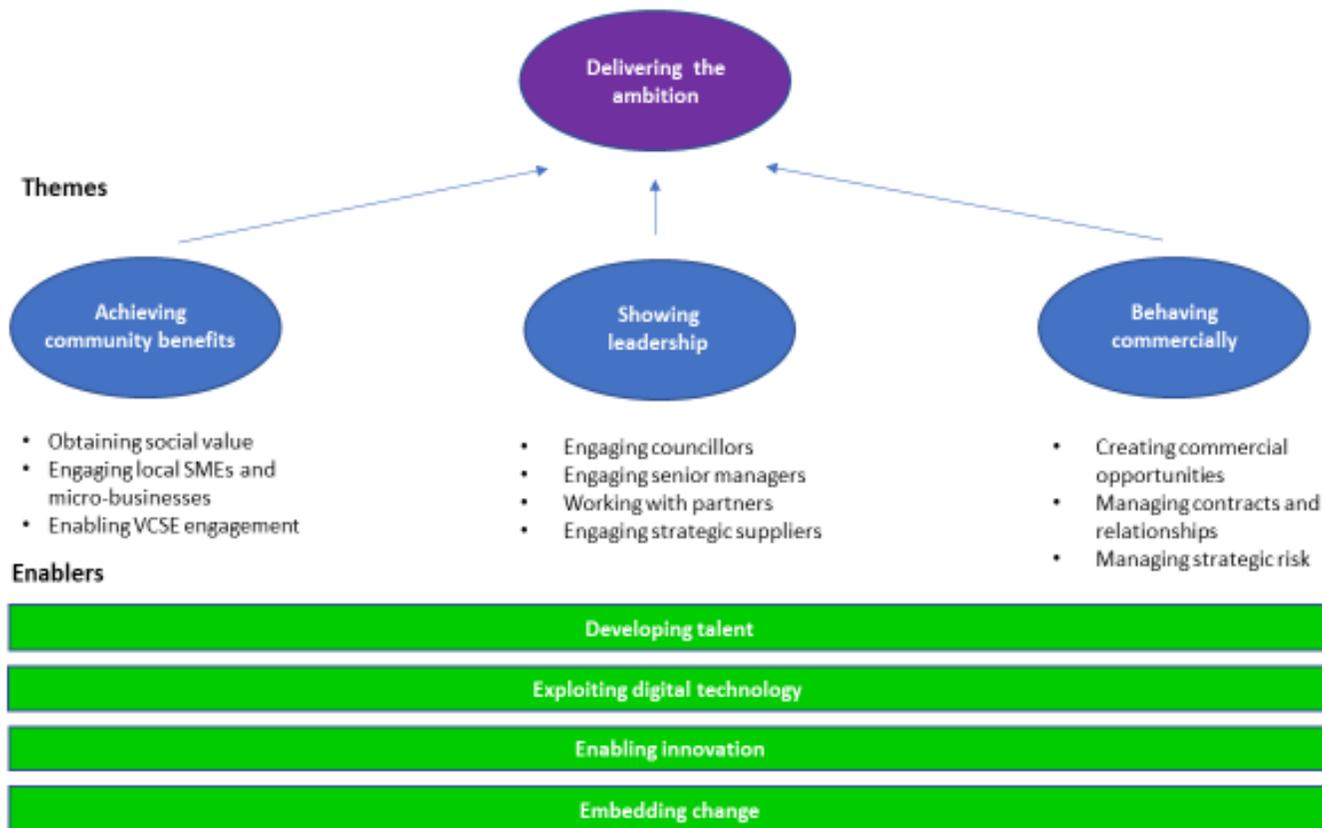
Encourage Partnership

- Partnership working nurtures innovative approaches
- Jointly addressing shared problems deploys more resources, sharing costs and risks
- Real added value opportunity for new devolved authorities
- Engage Local Enterprise Partnerships and other Economic Development Agencies

“Procurement is an immensely collaborative process”

Procurement professional

National Procurement Strategy



<https://www.local.gov.uk/national-procurement-strategy>

NPS: Enabling Innovation

Minimum	Developing	Mature	Leader	Innovator
Ability to capture and harness procurement innovation in organisation non-existent.	Innovation only considered in a few contracts where technology is involved.	Outcomes based procurement and market making are the 'standard' way of doing things. Innovative procurement approaches not just applied to technology but to established services.	Innovation in procurement and contract management is mainstreamed. Procurement techniques such as Innovation Partnerships, pre-commercial procurements used regularly.	All contracts reviewed to identify new service delivery and income generation models. Procurement challenges and innovative potential solutions shared across councils and regions.

Council Plan 2018 - 2022

“How will we work?”

- *We want everyone to benefit from the city’s success and have therefore set out a long-term approach to achieve our priorities. **This includes improving our services by promoting innovation**, learning from good practice and collaborating with our partners across all sectors and all communities.*

Improving the way we work.

- *By having a clear set of priorities we are able to **work effectively in partnership** to maximise the city’s resources for citizens of Birmingham.*
- *We will seek to **use innovative models to deliver better outcomes at lower cost.**”*

How to tender and win business.

- https://www.birmingham.gov.uk/info/20215/procurement_services/530/tender_and_procurement_opportunities
-

Funding and Active Challenges

<https://www.gov.uk/guidance/the-govtech-catalyst-challenge-process>

Five challenges have been selected for funding in round 1:

- [Identifying Daesh still imagery](#)
- [Tracking waste through the waste chain](#)
- [Tackling loneliness and rural isolation](#)
- [Cutting traffic congestion](#)
- [Intelligent data to transform local council service delivery](#)

<https://www.gov.uk/government/collections/sbri-the-small-business-research-initiative#an-overview-of-sbri>

<https://meridian.wmahsn.org/>

Questions?



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