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Mr Daniel McCrossan MLA
Chairperson
Public Accounts Committee
Parliament Buildings
Ballymiscaw
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30 July 2024

Dear Daniel

Re: Inquiry into Public Procurement in Northern Ireland by the Public Accounts Committee

Thank you for your letter dated 19 July 2024. I note that the Public Accounts Committee is conducting an inquiry into Public Procurement in Northern Ireland and I have provided responses on behalf of the Assembly Commission to the Committee's queries below.

As stated by the Comptroller and Auditor General in the Northern Ireland Audit Office Report on Public Procurement in Northern Ireland (April 2023), the Assembly Commission recognises that it is essential that public procurement is well managed to secure the maximum value for the public sector from all expenditure.

Whilst the Head of Procurement in the Assembly Commission maintains strong professional links with her counterparts in other public sector organisations on the Head of Procurement Group, the Assembly Commission procurement function operates independently of the Procurement Board and Centres of Procurement Excellence (CoPES).

The difficulties which the Assembly Commission has encountered, however, particularly in relation to the recruitment and retention of professional, skilled procurement staff, reflect those experienced across the public sector as a whole.

- 1. In your view, does the Assembly Commission have sufficient procurement capacity and capability to effectively manage its full range of procurement activities? If not, can you provide details on where there are potential shortfalls.**

Yes, the Assembly Commission does have sufficient procurement capacity and capability to effectively manage its full range of procurement activities.

The Assembly Commission has a relatively small procurement team and is not itself a CoPE. The Procurement Office sits within the Legal, Governance and Research Directorate and consists of a Head of Procurement, two Procurement Managers, a Procurement Support Adviser and a part time Clerical Supervisor.

At present, that team is fully resourced and stable. However, historically there have been significant challenges in recruiting and retaining skilled procurement professionals, both on a temporary and a permanent basis. In the past this impacted on the ability of the Assembly Commission to manage and deliver a full range of procurement activities.

There are two important factors which have led to the current stability in Procurement Office staffing.

Firstly, an independent Pay Benchmarking Exercise was undertaken for the Assembly Commission which identified that the salaries for the Head of Procurement and Procurement Managers were below the comparative market salaries. As a result of this report, and in recognition of the fact that external market pressures can present significant risks to the operation of Assembly business, the Assembly Commission introduced salary supplements for the Head of Procurement and Procurement Managers.

Secondly, support is now being provided to the Procurement Support Adviser to obtain professional qualifications in procurement (CIPS). This is a very effective way of building skills and capacity within the team. The member of staff in this role now provides considerable support to the team and business areas in the Assembly Commission.

The risks associated with external market pressures obviously remain, but these two measures have assisted in stabilising the staffing position in the Procurement Office.

In addition to recruiting and retaining skilled professional staff, it is essential to have appropriate and modern IT support. Resources are in place to upgrade the supporting IT software utilised in the Procurement Office and it is anticipated that further service improvements can be made when this is implemented later this year.

2. Within the Assembly Commission have staff, with procurement responsibilities, received appropriate training to ensure they can perform their role effectively?

Yes, the Assembly Commission Procurement team has received appropriate training to ensure staff can perform their role effectively.

The Assembly Commission's small team is made up primarily of procurement professionals who have already obtained their full MCIPS (Member of Chartered Institute of Procurement and Supply) qualification. These staff continue to avail of continuing professional development opportunities, albeit that these opportunities can often be somewhat limited.

The staff in the Procurement Office often look to the Cabinet Office's Government Commercial Function for public procurement related training. It is free of charge and is principally conducted through online learning at the trainee's convenience, which is certainly beneficial. However, face-to face collaboration is extremely important for procurement professionals to build relationships, share experiences, good practices and lessons learned and it is suggested that more training could be made available in this regard.

Over the past 12 months or so, training priorities have primarily been around the transformation of public procurement. This training has mainly been delivered by the Government Commercial Function, with some self-learning, webinars and publications from specialist legal organisations. This has been very welcome to help prepare the procurement team for implementation of the Procurement Act 2023, which will be very challenging.

In terms of training for new entrants into the procurement specialism, the Head of Procurement has advised me that there are limited courses and opportunities in this regard.

As noted above, the Assembly Commission is supporting a member of staff to obtain professional qualifications. I am advised that at present, there are limited formal CIPS training courses (only 3 of the possible 5 levels of CIPS are available) delivered face-to-face in Northern Ireland. Furthermore, the places available on these courses are limited and the public sector is competing with the private sector for these places. These courses are often quite rigid in terms of times for delivery and do not cater for peaks and troughs in business needs to allow for staff attendance.

The Assembly Commission has therefore opted for an online self-learning course for achievement of MCIPS. This allows the member of staff to work to a timetable that is realistic and flexible, and can be accommodated with business need. This is, however, a more expensive option and it is suggested that the Committee may wish to consider in further detail the extent and flexibility of MCIPS training available in Northern Ireland.

3. What actions has the Assembly Commission taken since 2020 to ensure that your workforce possess sufficient capacity and capability? Members would be grateful if you could also provide detail in the form of facts or figures if possible.

Since 2020, a new Head of Procurement and two new Procurement Managers have been appointed and, as stated above, the postholder in a new Procurement Support Adviser role is being supported to obtain professional qualifications. At certain periods during the past four years there have been significant challenges to overcome with regard to attracting and retaining skilled professional procurement staff. Attempts to fill vacant posts by utilising temporary agency staff proved difficult because of a lack of suitably qualified candidates, limited interest in temporary roles and retention difficulties. As outlined in answer to Question 1, the staffing position has now significantly improved and stabilised.

In terms of planning and prioritising work, the Procurement Office works with business areas to prepare a forward workplan (24 months ahead), to ensure,

where possible, that capacity issues are identified early and mitigations put in place. If there is an opportunity to work collaboratively with local or national CoPEs (e.g. CPD or Crown Commercial Services), or indeed with other legislatures to appoint a supplier, these options are utilised, where value for money is represented.

In terms of capability, as outlined above in response to Question 2, the Assembly Commission has made the decision to develop and train a member of staff in the Procurement Office to become a public procurement professional. MCIPS qualified staff continue their development as driven by their personal skills gaps, as well as professional or industry driven training.

4. Does your Procurement function have a robust workforce plan that details the optimal workforce you will require over the next 3-5 years to deliver an effective service?

There is no formal workforce plan in place for the Procurement Office specifically, as it is a small team. However, workforce planning in respect of the overall staffing of the Assembly Commission is monitored by the Senior Management Team (SMT), to ensure capacity and the Director of Legal, Governance and Research and Head of Procurement review staffing issues regularly.

As detailed in response to Question 2, the availability of a salary supplement is now likely to attract more suitably skilled and qualified professional staff into the senior procurement posts in future. In addition, the Assembly Commission intends to support the staff member in the non-qualified Procurement Support Adviser role through the MCIPS route over the next number of years.

In-house work experience, combined with a professional qualification, is regarded as an excellent option in order to enhance the capability of the procurement team in the short term. There is an obvious retention risk with regard to this approach once the postholder is qualified and it should be stated that all more senior procurement posts would be externally advertised in accordance with Assembly Commission Policy. Nonetheless, the Assembly Commission views this innovative approach as a very positive step forward.

It is also important to note that it is not yet possible to fully factor in the resource implications of the new procedures and processes arising from the implementation of the Procurement Act 2023. The new requirements inevitably will be more resource intensive, but to what extent is currently unknown.

The Assembly Commission will continue to monitor this going forward and review our end-to-end procurement resourcing as required.

5. Is there any shortfall between your actual current total workforce and grade mix compared to that plan? Please provide details of optimal and actual FTEs.

No, the current number and grade of staff in the Procurement Office equates to the staff complement. The Procurement Office consists of 4.6 FTE, namely 1 FTE Head of Procurement, 2 FTE Procurement Managers, 1 Procurement

Support Adviser and 0.6 FTE Clerical Supervisor. The staffing requirements in the Procurement Office are monitored on an ongoing basis.

6. Are there any specific professions or areas of expertise in respect of Procurement where the Assembly Commission struggles to recruit and retain appropriately skilled and/or qualified staff? What do you feel are the barriers to recruitment and retention?

The Assembly Commission does not currently employ, or plan to employ, professionals such as architects, quantity surveyors or engineers in the procurement field.

For works associated projects within Parliament Buildings, the Assembly Commission usually procures other necessary expertise with the assistance of Property Services Division (CPD - DoF). However, issues that Property Services Division experience in recruiting and retaining these types of resources can have an impact on the Assembly Commission's works projects.

7. The Northern Ireland Audit Office Report highlights a range of different reforms that were implemented between 2020 and 2022. Were there any significant weaknesses within the process used to develop and implement these changes that require lessons to be learned for future reforms of procurement arrangements?

The Assembly Commission procurement team is a relatively small team, rather than a CoPE, and was not directly involved in the development or implementation of the reforms that were introduced between 2020 and 2022. However, the Assembly Commission welcomes the reforms, in particular, the introduction of tool kits which are directly linked to those prepared by the Cabinet Office. These standardise the approach across the UK public sector.

As stated, the Head of Procurement in the Assembly Commission sits on the Northern Ireland Heads of Procurement Group to ensure that going forward there is better collaboration, cooperation, coordination and consistency across the public sector as a whole. This is particularly important at a time of transformation across the entire procurement sector.

8. In your opinion, have there been any negative consequences for the Assembly Commission as a result of the reforms implemented? Please can you provide examples?

Generally, the reforms have been welcomed. However, the procurement team in the Assembly Commission is somewhat disappointed that the replacement of the tendering portal – eTendersNI – has been delayed. This means that contracting authorities may have to look at sourcing and implementing their own contract and project management software tools in the interim.

The Head of Procurement is of the view that there is currently a real opportunity for an end-to-end sourcing software solution that supports the wider aspects of procurement i.e. not just tendering, but project and contract management, with the potential to further improve data collation and reporting.

9. Is the Assembly Commission adequately prepared to comply with the new requirements arising out of the implementation of the Procurement Act 2023? If not, please can you provide examples of areas where more work is required to comply with the new Act.

Yes, the Assembly Commission is adequately prepared to comply with the new requirements arising out of the implementation of the Procurement Act 2023.

Since late 2021, staff in the Procurement Office have been actively engaged with the Cabinet Office in relation to the transformation of public sector procurement, to help understand and prepare for the transition.

As there are no additional resources available, either internally or in the external market place to assist with the transformation, the Procurement Office has carefully managed the procurement workplan/pipeline. This has allowed the Procurement team the opportunity to plan, prepare and train for the implementation of the necessary changes.

For the Assembly Commission, the reform of public procurement will see changes in all procurement policies and guidance, systems and processes and templates. A detailed implementation action plan was submitted to SMT in May 2024 and will be reviewed in September 2024.

The Procurement Office has identified all the changes required and prioritised those which must be ready for 'go-live' in October 2024.

Training will be required for all procurement staff and those directly involved in certain aspects of procurement (e.g. contract managers and buyers within business areas). The Procurement Office has been engaged with the Cabinet Office training programme as well as other sources of training and information. This will be used to deliver the transformation as well as the delivery of training and guidance for non-procurement colleagues impacted by the changes.

The implementation of the changes required by the Procurement Act 2023 within existing resources is challenging, however, a detailed plan has been prepared which sets out all the necessary steps required to be taken before October 2024.

It should be noted that when developing procurement policies, the Assembly Commission usually considers CPD policies and processes in the first instance, as CPD is the lead policy maker for public procurement in Northern Ireland. These policies and procedures are then specifically tailored, to the Assembly Commission.

For the transformation of public procurement, the Assembly Commission relies on CPD publishing and promoting these documents in advance of the implementation dates. Any delay in publication will have the potential to impact the Assembly Commission's ability to have relevant policies and processes being in place as planned and could potentially impact on the publication of new competitions.

Thank you for seeking the views of the Assembly Commission in relation to this important matter and I am happy to provide clarification or further detail if required.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'Lesley', with a stylized flourish at the end.

LESLEY HOGG
Clerk to the Assembly/Chief Executive