
Subject: Proposed Procurement 2019-2020 Work Plan

Report to: Procurement Advisory Committee

Report date: Monday, March 11, 2019

Recommendations

1. That the Committee **APPROVE** the proposed 2019-2020 Work Plan for the Committee
2. That the Committee **DIRECT** staff to report back on topics selected by the Committee for further investigation

Key Facts

- The purpose of this report is to seek approval from the Procurement Advisory Committee on the proposed 2019-2020 Procurement Work Plan and as by doing so ensure the Committee and Council are receiving relevant information related to procurement initiatives.
- Niagara Region's practices in procurement have undergone a number of significant changes in the past four years, and while Procurement has been previously guided by the tasks as approved by Council in CSD 72-2016, there are a number of areas which should remain the focus for Procurement going forward.

Financial Considerations

Not Applicable.

Analysis

In September 2017, the previous Committee approved the 2017-2018 Procurement Work Plan (PAC-C 1-2017) which identified a number of areas that would be the focus for Procurement. That report also sought direction from the previous Committee on additional areas which could be included in the Work Plan to ensure that this Committee and ultimately Council were receiving relevant information related to procurement initiatives. This report consolidates information from that initial Work Plan and feedback from the Committee.

In November 2017, the previous Committee approved an amendment to the 2017-2018 Work Plan (PAC-C 2-2017) which accelerated the following specific Work Plan items: eProcurement Software Solutions strategy and Negotiated RFP template and procedures, respectively.

The Work Plan is grounded in the guiding principles of sustainability by assessing the strategies, resources and technology required to facilitate innovation, continuous improvement and governance. This latest rendition of the proposed Work Plan builds on previous successes including the achievement of 2017/18 action items.

Procurement is confident that the Work Plan items identified herein represent a continuation of this modernization and transformation process which will further serve to strengthen the Niagara Regions' procurement function. The ongoing review, consideration and development of policies, procedures, processes and technologies will further improve the process by which goods, services and construction are procured.

Procurement remains committed to continually drive efficiencies in our process to reduce procurement cycle times via streamlined and technology-enabled processes and that, coupled with corporate savings achieved through strategic sourcing and leveraging spend ensure that value for money outcomes will effectively contribute to the Region's long-term sustainability.

The Work Plan also considers a communications plan targeting all stakeholders who will serve to support the ongoing implementation of the strategy including: staff updates, briefing packages, training and education sessions (for all stakeholders) including the utilization of Niagara Region resources such as the internal intranet (The Vine) and Niagara Region's website.

Given the aforementioned, Procurement is proposing that the following key items be undertaken as part of its 2019 – 2020 Work Plan:

1. E-Bidding Phase II: Continued migration to electronic bidding including a gradual implementation path based on each procurement type; one which provides consideration to lessons learned with full transition to electronic submissions by the end of 2019. *Timeline – Q4 2019*
2. Procurement Templates: In support of Work Plan item 1, a continued conversion of all templates to a format which is conducive to e-Bidding. *Timeline – Q2 2019*
3. Procurement By-law: With the recently approved Procurement By-law amendments (February 2109), Procurement will consider further changes to the Procurement By-law including consultation and planning with industry, peers and stakeholders; internal (staff) and external (GNCC, NPPC and NCA etc.) *Timeline – Ongoing with complete by Q4 2019/Q1-2020*
4. Negotiated RFP: With the recently approved Procurement By-law amendments (February 2019) introducing this process; finalize templates and procedures. *Timeline – Q3 2019*

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5. Ongoing developing of quarterly spend analytical reports to identify opportunities, drive savings and compliance. *Timeline – Q4 2019*

With regards to a consideration item from the previous Committee related to engaging local contractors more effectively and improving supplier relationships, Procurement continues to represent Niagara Region in these broader collaborative discussions with various stakeholder groups including the Public Procurement for Local Prosperity Committee (PPLP), Niagara Public Purchasing Committee (NPPC), Niagara Construction Association (NCA) and other industry associations and partners.

As part of its proposed Work Plan, staff will specifically report back to the Committee on Work Plan item 3 for input and approval. Other items may be brought back to Committee for input, approval or general update.

Other items that could be considered by the Committee:

- Undertaking Procurement Procedure Review and Documentation;
- Reviewing and implementing changes to the RFP Evaluation Process;
- Vendor and/or Contract Management;
- PO and Project contingencies, procurement practices and cost overruns; and
- Continuing the tasks outlined in CSD 72-2016 which relates to training and involvement in key corporate initiatives.

Alternatives Reviewed

There are no other alternative Work Plans, however Committee can amend the Work Plan.

Relationship to Council Strategic Priorities

Procurement and its related activities are critical in maintaining taxpayer affordability.

Other Pertinent Reports

- CSD 72-2016
- PAC-C 1-2017
- PAC-C 2-2017

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