

SPP PRC funding result

John Dennis:

I am Professor John Dennis, Head of School of Technology and as Chair of the Procurement Strategy Group. I am delighted to share with you that the Planning and Resources Committee recently agreed to provide £6.8m to deliver the Finance Transformation Programme's Strategic Procurement & Purchasing (SPP) project. This area has long been a challenge for Cambridge and this funding will enable us to provide investment in our people, how we are organised and our processes, policies, systems and technology. SPP's success will be dependent on positive culture and behavioral change for us all and will necessitate a real team effort from everyone.

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This fantastic result comes after over a year of groundwork, with interactions across 25 departments, leadership from the Procurement Strategy Group, and extensive consultation with commodity working groups and Finance staff across the University. Many of you have taken time from your busy schedules to provide valuable input to get us to this stage and we would like to thank you for this.

SPP is amongst 14 key projects under the University's 'recovery' plan, which has been devised to lead us out of the COVID-19 crisis, re-envision Cambridge's future and reform the University's finances to allow us to achieve maximum academic potential.

From an annual overall procurement spend £500m on the open market, the SPP will generate further essential financial savings of around £20m per annum. This will be delivered over a three to five-year programme and will transform how the University can better buy its goods works and services, with improved frameworks and more user-friendly systems and processes. It is important to note the further saving generated from the SPP will not be through staff efficiencies, but will instead see investment in training and development, and the recruitment of additional resources. Savings will flow back to benefit the University and will be prioritised to non-research areas initially, however research spend will be in scope so research users and funders can also benefit.

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The SPP will ensure that the University obtains good value procurement deals which are in line with, if not better than our peers. It does not intend to stop research or other users buying the equipment they need or force them to buy the cheapest option.

As well as critical cash savings, SPP will enable positive societal impact and carbon reduction, supporting the University in achieving its ambitious sustainability targets. Additionally, we have been listening to you and are aware that improvements need to be made. Providing a more positive user experience is therefore also a strong focus, coupled with the introduction of more user-friendly approaches, which will not only make our day to day lives easier, but will also enhance compliance.

Pilot departments

SPP will enrol three pilot departments to enable us to trial a new operating model and changes to working behaviours, processes and policies. These departments include Estates, Physics and CRUK CI and were chosen to ensure we have representation of diverse income streams, a range of spend on

goods, works and services and as they undertake varied core activities including teaching, research, professional services and academic endeavours.

This PRC approval milestone is a great achievement for all of those involved. It builds significant credibility and positive momentum for our FTP programme as it moves progressively from a discovery to a delivery mode. This is a very exciting time for Finance, SPP is now in the planning and mobilisation phases which is likely to last until the end of this calendar year phase and we will provide you with more detailed information in the coming weeks. Thank you again for your support and time so far.

Slide 5 - Any questions

Further information regarding SPP can be found on the [Procurement Services](#) and [FTP website](#), where we provide regular updates around related topics and points of interest. Anyone with further questions can also email: ftprogramme@admin.cam.ac.uk