



2018/19

**Second Quarter
Procurement
Review**

1. Introduction

- 1.1 A key element of the financial savings included in the Council's Efficiency & Rationalisation Strategy is being met from the implementation of the Procurement Strategy which was originally agreed by Councillors in April 2014.
- 1.2 The strategy was developed to ensure that its objectives link closely with the Council's overall strategic vision and aims and objectives. The key actions in in the strategy included:
 - Delivery of cashable efficiency savings to support the Efficiency & Rationalisation Strategy by tendering, retendering and renegotiating of contracts.
 - Development and embedding a professional procurement unit of excellence to deliver on going efficiency savings for the Councils
 - Revising Financial and Procurement Procedure Rules to support transparency, timeliness of contract award and greater control
 - Expanding the usage of electronic procurement systems for works as appropriate
 - Increasing the levels of spend covered by the contract
 - Implementation of e-tendering
 - Supporting the local economy by increasing the number of procurement opportunities advertised and adoption of a local business concordat
- 1.3 Significant progress has been made since April 2014 which has enabled new working initiatives to be implemented including the integration of the creditors function into procurement will ensure the 'purchase to pay cycle' is robust and able to meet the demands of efficiency and performance targets.
- 1.4 Additionally, the introduction of new systems and electronic processes now enables the Alliance to be fully compliant in accordance with Transparency Code and Public Contract Regulations requirements – with all procurement opportunities over £5,000 now openly advertised.
- 1.5 The Procurement Procedure Rules have been recently updated and the updated Procurement Strategy is scheduled for presentation during 2018/19.

2. Second Quarter Completed Procurements

2.1 The activity supported by the procurement function for the first quarter April - June 2018 is summarised below:

Second Quarter	High Value (> £181,000)	Low Value (< £181,000)	Total
HPBC Only	2	16	18
JOINT (HP/SM)	1	6	7
TOTAL	3	22	25

2.2 Annex A provides details of the 25 procurement exercises reviewed and completed during quarter two.

2.3 No cashable savings have been made as a result of specific procurement activity during Quarter 2, this will continue to be monitored throughout the year and any savings identified will be offset against the efficiency programme.

2.4 However, a review of historical overall expenditure against budget is currently underway to identify where budgets can be reduced due to ongoing/one-off procurement activity. To date £55,200 has been realised against the Efficiency Plan.

3. 2018/19 Procurement Forward Plan

3.1 The table below details the number of exercises which fall into either low or high value (profiled over full contract term) scheduled for completion in 2018/19.

2018/19 Activity	High Value (> £181,000k)	Low Value (< £181,000k)	Total
HPBC	13	40	53
JOINT (HP/SM)	6	30	36
TOTAL	19	70	89

In addition to the above, there are 104 listed entries brought forward from previous years (for review and completion for both HPBC and SMDC combined).

3.2 Some of the more significant 'high level' procurement activity that is scheduled for delivery in 2018/19 includes:-

- Pavilion Gardens Operating Concession Contract
- Leisure Centre Management
- CCTV Maintenance and Monitoring Arrangements
- Construction Materials Supply
- HRA Kitchen, Central Heating programmes
- Glossop Cemetery Extension
- Glossop Halls Refurbishment Works
- Insurance

4. Procurement Performance

4.1 This section reports on the Council performance in terms of procurement activity and the payment of suppliers.

4.2 Performance for the second quarter is highlighted below:

Performance Indicator	Target	Performance at 30th September 2018
% of Alliance Procurement Activity on Forward Plan	72%	56%
Annual contract spend as % of gross expenditure budget	78%	82%
% Of invoices paid within 30 days	96%	97%

Procurement Activity on Forward Plan

4.3 A number of reactive lower value single source commissions were made during quarter two, which were reactive to current work activity from the relevant services area. Quarter three service reviews are scheduled for October and November to ensure that the programme is kept up-to-date.

ANNEX A

Second Quarter Procurement Activity Completed - HPBC

Contract	Description	Recurring / One Off	Service Area	Procedure	Award	Term (yrs)	Total Contract Value
Periodic Testing and Inspection of Electrical Installations Housing Properties	Housing: Testing and Inspection of electrical installations in various tenanted properties across the HPBC	Recurring	Assets Compliance	OJEU	Electrical Compliance & Safety Ltd	1+1	703,358
Loft Insulations Works Various Council Housing Properties	Insulation install / replacement works at various properties identified	One-off	Assets Housing Capital	OJEU	Aran Services	1	307,028
Bathroom Renewals (HRA Capital)	HRA Works- Bathroom refurbishments Housing Stock	Recurring	Assets Housing Capital	Framework	Wright Build Ltd	1	307,000
Aids & Adaptations Including Bathrooms / Wet Rooms (HRA Capital)	Bathrooms and Wet rooms	Recurring	Assets Housing Capital	Framework	Wright Build Ltd	1	
Ground works: Grave Digging Services	Grave digging throughout the High Peak	Recurring	Operational Services - Horticulture	Tender	HP: Barry Woods SM: PH Higton	1	74,144
Footpath Railing repairs to Unity Walk Glossop	Repair works to footpath railings at Unity Walk Whitfield Glossop	One-off	Assets Housing Capital	Tender	E Smith & Sons	1	35,075
Six monthly update information on Five year supply (Housing / Development)	Planning application decision making, forthcoming planning appeal work / Local Plan	One-off	Regeneration	Tender	Capita Property & Infrastructure Limited (Urban Vision)	2	21,420
High Peak Housing Portfolio - Additional Sites	Professional advice - variation to original contract for Accelerated Housing	One-off	Regeneration	Single Source	BE Group	1	20,000

Contract	Description	Recurring / One Off	Service Area	Procedure	Award	Term (yrs)	Total Contract Value
Fairfield Gateway Improvements Programme	Architectural/planning expertise required to prepare design guidance and master planning (Fairfield Road, Buxton)	One-off	Regeneration	Tender	CTD Christopher Taylor Design Ltd	1	9,200
Water Analysis Services	Analysis and reporting on water samples from the private water supply assessment programme	Recurring	Regulatory Services - Environmental Health	Tender	United Utilities	1	8,000
Water treatment and servicing [Legionella]	Management of water systems	Recurring	Assets Compliance	Tender	Houseman Environmental Ltd	1	6,240
Advertising and Sponsorship consultant advice	Consultancy Advice require to consider the opportunities available from advertising and sponsorship on some council assets	One-off	Visitor Services	Tender	Community Partnerships	1	4,995
Fire Risk Assessments on Sheltered Accommodation/ Communal Accommodation	Sheltered Blocks and communal Block Fire risk assessment	Recurring	Assets Compliance	Tender	First City Fire & Security	1	3,950
Loft Insulations	Installation of insulation at Housing Properties	One-off	Assets Housing Capital	n/a	Not Awarded	0	-
Development Control Site Visits - Coach Hire	Provision of Coach for Development Control Committee Site Visits	Recurring	Democratic & Community - Democratic Services	n/a	Not procured - existing arrangement continuation		
Trans Pennine Trail - Funding a Project Officer	Contribution to the payment of a Project Officer on the Trans Pennine Trail	Recurring	Regeneration	n/a	No Procurement required - Contribution funding to Barnsley MBC		

Contract	Description	Recurring / One Off	Service Area	Procedure	Award	Term (yrs)	Total Contract Value
Carelink Contract	Older Persons Floating Support (Carelink) SSD1105	Recurring	Customer Services - Housing Tenancy Services	n/a	No Procurement required - DCC funding arrangement		
Corbar Road Roofing Works (HRA Capital)	Roof works to Corbar Rd	Recurring	Assets Housing Capital	n/a	Not to be Procured : Superseded		

Second Quarter Procurement Activity Completed - JOINT (HPBC/SMDC)

Contract	Description	Recurring / One Off	Service Area	Procedure	Award	Term (yrs)	Total Contract Value
Architectural Services for HPBC & SMDC	Professional Architectural services framework to assist in the delivery of capital schemes building improvement projects	Recurring	Assets Compliance	OJEU	Framework: David Trowler TAD Architects AHR Building Consultancy	2	400,000
SHELLA (Strategic Housing Assessment)	Continuation of Existing Contract	One-off	Regeneration	Variation	Peter Brett Associates	1	84,850
Telecoms - Mobile phones / devices	Mobile devices and phones (rentals and calls)	Recurring	Organisational Development & Transformation - ICT	Tender	EE Limited Direct Award Via CCS Framework	1+1	42,216
Communications Consultancy	External Communications Consultancy services to support with the delivery of an external/internal communications programme	One-off	Organisational Development & Transformation - HR	Tender	Northern Design Collective Ltd	1	30,000
Provision of Stationery Supplies	Stationery supplies via DCC Framework contract Includes Paper, and all other stationery items	Recurring	Customer Services - Customer Services	Tender	Banner	2	29,000
Specialist Equipment Servicing	Servicing and maintenance of Grounds and Streets equipment	One-off	Operational Services - Horticulture	Tender	Cheshire Turf / PJS Machinery	1	15,000
Recycling Products Inc Wheeled Bins	Purchase of Wheeled Bins off Eastern Shires Purchasing Organisation framework rates - ad-hoc supplies as and when required.	Recurring	Operational Services - Waste	Framework	Cramer	Term of ESPO framework operates over 4 yrs	9,420