



2019/20

**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 Procurement activity which was approved by Full Council in February 2017.
- 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 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 Procurement Procedure Rules to support transparency, timeliness of contract award and greater control – these have now been updated
 - 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
- 1.4 The Procurement Strategy is now due for updating and is scheduled for presentation during 2019/20.

2. Second Quarter Completed Procurements

2.1 The activity supported by the procurement function for the Second quarter July 2019 to September 2019 is summarised below:

Second Quarter	High Value (> £181,000)	Low Value (< £181,000)	Total
HPBC Only	-	10	10
JOINT (HP/SM)	1	3	4
TOTAL	1	13	14

2.2 Annex A provides details of the 14 procurement exercises completed during Quarter two.

2.3 Procurement savings will continue to be monitored throughout the year and any savings identified will be offset against the efficiency programme.

3. 2019/20 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 either completion or starting in 2019/20.

2019/20 Activity	High Value (> £181,000k)	Low Value (< £181,000k)	Total
HPBC	14	54	68
JOINT (HP/SM)	6	42	48
TOTAL	20	96	116

In addition to the above, there are 62 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 2019/20 includes:-

- CCTV Equipment, Maintenance and Monitoring Arrangements
- Construction Materials Supplies – Direct Services
- HRA Capital Works: Windows & Doors, Central Heating, Roofing, Bathroom programmes
- Banking Services Contract (currently under a value for money review)
- IT Desktop Support Contract

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 30 th Sept 2019
% of Alliance Procurement Activity on Forward Plan	72%	52%
Annual contract spend as % of gross expenditure budget	85%	83%
% of invoices paid within 30 days	96%	96%

Performance Indicators – targets off track

4.3 % of Alliance Procurement Activity on Forward Plan

There have been a number of single source exemptions to complete reactive or urgent works / services during Q2, which could not have been included on the procurement forward plan at the last service reviews. During Q3 scheduled reviews will be undertaken with services to monitor current planned activity and future requirements (including 20/21 and 21/22). The forward plan will also be reviewed by Finance Business Partners after service reviews are completed.

4.4 Annual contract spend as % of gross expenditure budget

The Procurement team have been working closely with Direct Services to capture current sub contracting activity to work towards formalising contract arrangements for these larger spend areas.

A current programme of Electrical and Joinery (including Glazing) framework contracts have been let and will result in higher on contract spend activity in Q3 as the contracts start. The Procurement Team will continue to support services to formalise their contracting arrangements with external market, during the remainder of 19/20 to achieve target.

Second Quarter Procurement Activity Completed – HPBC

Contract Title	Brief contract description	Recurring or One Off	Service Area	Procedure	Award Detail	Term / Duration	Total Contract Value £
Earth River Bank Reinstatement and Wall repair – 84/86 Buxton Rd Whaley Bridge	Repair required to retaining wall and riverbank at Buxton Road Whaley Bridge	One Off (Works)	Assets	Open Tender	Derbyshire Geotechnical Ltd	12 wks	123,649
External Professional - Planning	Advocacy and Advice on Planning Appeal site	One Off	Legal	RFQ	Kings Chambers Giles Cannock QC	n/a	29,600
10 Meadow Lane Structural Works	Structural and Associated works to Council property	One Off (Works)	Assets	Open Tender	Roy Wright & Co Ltd	6 - 8 wks	26,054
Empty Homes Review – External Consultancy	Support to maximise new homes bonus funding by completing a full review of every single long term empty property	One Off	Finance	Framework	Liberata Uk Ltd T/A Capacity Grid	2 yrs	25,000
Replacement Lift Installation [Council Property]	Replacement of obsolete lift in domestic Council property – Aid / Adaptation	One Off (supply / install)	Assets	Single Source	OTIS Ltd	n/a	19,289
Supply of Christmas Trees	Purchase of Christmas Trees for town centres	One Off (Supply)	Operational Services - Grounds	Contract variation	Joseph Noblett	n/a (supply)	17,984
Rural Crime Prevention	Smart Water security packs	One Off	Communities	Single Source	Smart Water Technologies	n/a (supply)	13,994
New furniture at Cromford Court	Purchase of furniture at Cromford Court, Whaley Bridge for Communal area	One Off (Supply)	Housing Tenancy Services	RFQ	Care Chair	n/a (supply)	8,298
Grave Digging Services HPBC (Interim 19/20)	Provision of Grave digging services for High Peak – Interim contract arrangement	Recurring	Operational Services - Grounds	RFQ	Berresford Contracting Ltd	3 months	3,500
Chapel-en-le-Frith Business Park Masterplan update 2019	External Consultancy	One Off	Regeneration	N/A	Exercise Suspended		

Second Quarter Procurement Activity Completed – JOINT (HPBC & SMDC)

Contract Title	Brief contract description	Recurring or One Off	Service Area	Procedure	Award Detail	Term (years)	Total Contract Value £
Public Realm CCTV Upgrades and Maintenance Contract	Combined contract for upgrades to Control Room Equipment and infrastructure, Includes support and maintenance element for HP and SM.	Recurring	Communities	OPEN Tender (OJEU Supplies / Services)	OpenView Security Solutions Ltd	5 yrs	389,782 SMDC = 257,603 HPBC = 132,179
Playground Equipment Spare and replacement parts requirements	Supply of spare equipment and replacement items to repair any damages at various playgrounds across HP and SM areas	Recurring	Operational Services – Leisure	Open Tender	GB Sport & Leisure	1 (+2yrs)	21,000 (est. 50% per Authority)
Intranet Housing and Licence Support	Current intranet system ongoing hosting and support services (contract novated)	Recurring	Transformation	Single Source	Upbeat	3	5,105 (50% per Authority)
DCP Online Subscription Renewal	Access to development control manual, to ensure high quality development control decisions	Recurring	Development Control	n/a – subscription to online legislation	DCP Online Renewals	1	3,525 (50% per Authority)