



**2019/20**

**Fourth 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 Councillors 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 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 2020.

## 2. Fourth Quarter Completed Procurements

2.1 The activity supported by the procurement function for the fourth quarter January 2020 to March 2020 is summarised below:

<b>Fourth Quarter</b>	<b>High Value (&gt; £181,000)</b>	<b>Low Value (&lt; £181,000)</b>	<b>Total</b>
HPBC Only	0	17	<b>17</b>
JOINT (HP/SM)	0	4*	<b>4</b>
<b>TOTAL</b>			<b>21</b>

*\*Joint exercises detailed are reviews on renewals for existing contracts which are not required to be procured in 2019/20.*

2.2 Annex A provides details of the 21 procurement exercises completed during Quarter four. It should be noted that due to the COVID-19 pandemic, a number of larger contract award decisions that were scheduled, were not made during the last quarter – these contracts were deferred to 2020/21 and will be reported in the first quarter report for 2020/21.

2.3 No direct cashable savings have been made as a result of specific procurement activity during Quarter 4. However, the outcome from planned procurement activity has given rise to savings in the Councils corporate inflation budget, which has contributed to the requirements of the efficiency programme.

### 3. 2020/21 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 2020/21.

2019/20 Activity	High Value (> £181,000k)	Low Value (< £181,000k)	Total
HPBC	9	34	43
JOINT (HP/SM)	4	20	24
<b>TOTAL</b>			<b>67</b>

In addition to the above, there are 142 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 2020/21 includes:-

- IT Operational Support Contract
- Fairfield Gateway Project Support
- Facilities Management Contract
- Fleet replacements - AES
- Glossop Halls – Market Hall / Municipal Buildings works Contracts
- HRA Capital Programmes (works contracts)
- Compliance and Remedial works contract : Electrical Testing HRA
- Car Parks – P&D machine upgrades

### 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 fourth quarter is highlighted below:-

Performance Indicator	Target	Performance at 31 <sup>st</sup> March 2020
% of Alliance Procurement Activity on Forward Plan	72%	67%
Annual contract spend as % of gross expenditure budget	87%	83%
% Of invoices paid within 30 days	96%	97%

#### 4.3 Performance Indicators – targets not achieved

##### **% of Alliance Procurement Activity on Forward Plan**

Throughout 2019/20 as part of the Business support strategy we worked closely with services to establish planned and recurring procurement data to inform the Council's Procurement Forward Plan. This strategy has proved successful in improving compliance and maintaining a clear programme of reviews and communications across both Authorities.

However there will always be reactive procurement needs that cannot be established in advance of the event and this has impacted overall to the performance target being successfully achieved for 2019/20. Continuation of the current service support approach will be delivered during 2020/21 but we will look to schedule increased review sessions with higher demand service areas to work to improve the performance even further.

##### **Annual contract spend as % of gross expenditure budget**

During the final quarter of 2019/20 Procurement continued to deliver and support exercises against the forward plan of activity to achieve higher proportion of contracted supplies, services and work arrangements with economic operators. The contracts awarded in Q4 due to commence in 2020/21 will be captured as on contract spend when they are operational.

## ANNEX A

## Fourth Quarter Procurement Activity Completed – HPBC

Contract name	Brief contract description	Recurring or One Off	Service Area	Procedure	Award Detail	Term / Duration (years)	Total Contract Value (inc exts)
Whitfield Recreation Ground – Play Area Improvement Project	Improvements to Play facilities at Whitfield Recreation Ground Glossop	One Off	Service Commissioning	Framework – Further Competition	HAGS SMP	16 wks Feb start date delayed	90,000
Cenotaph Repairs – Whaley Bridge	Specialist remedial repairs to Cenotaph at Whaley Bridge Memorial Park	One Off	Service Commissioning	Single Source	The Fringe Work Shop	Mar - Oct	36,000
HRA Passenger Lifts Consultancy Services	Consultancy services to complete condition and recommendation reports on all passenger lifts in Sheltered Schemes over a phased programme	One Off	Assets	Framework – Direct Award	Mand PLS	1+1	23,880
Buxton Crescent Project Water source Advisory Services – Hydrogeology Consultancy	Professional Hydrogeologist Consultancy Services, continuation of project support for the Crescent Thermal Spa development.  Extension to facilitate completion of project for 2020	Recurring	Regeneration / Legal	CCN – variation on original	Wood PLC	1	22,716
Consultancy – ‘The Springs’ Options Appraisal	Financial advice on options open to the Council as part of FHSF project	One Off	Regeneration	Single Source	Lambert Smith Hampton	8 wks	19,500
External Painting to Buxton Town Hall	Buxton Town Hall - Painting	One Off	Assets	Open Advert – RFQ	Mitie Property Services	12 wks	18,182
High Peak Food recycling Trial – Bio degradable Bags	Supply Bio Degradable waste bags for High Peak Food recycling trial	Recurring	Service Commissioning	Framework – Direct call off	The Compostable Bag Co.	Supply	13,622
Glossop Town Hall Clock – Repair	Specialist maintenance Services for repair of Glossop Town Hall Clock	One Off	Assets	Single Source	Smith of Derby Ltd	n/a	13,360

Play equipment Whaley Bridge Memorial Park	Purchase and installation of new slide at Whaley Bridge Memorial Park	One Off	Service Commissioning	Framework – Call Off	Wicksteed Leisure	Supply	7,421
Play Bark Supply Playground Sites High Peak	Supply of bark for two play areas in High Peak	One Off	Operational Services - Grounds	Single Source	Scot Bark	Supply	5,750
Replacement of Lead water feed at HRA Property	Water main replacement / installation at Housing Property	One Off	Assets	CNN – under existing contract	Drainage Consultants	n/a	5,000
Purchase of Washing machine and dryer Hartington Gardens	New commercial washing machine and dryer at Hartington Gardens Sheltered Scheme Buxton Gardens	One Off	Customer Services - Housing	RFQ	Goodman Sparks	Supply	4,508
Mobile Phone SIM Cards - Carelink	Replacement SIMs for Carelink ER mobile technology units – geographical coverage (Vodafone)	One Off	Transformation	Framework	Vodafone	1+1	3,000
Planning Appeal	Expert Conservation Advice planning appeal case	One Off	Development Control	Single Source	Nicholas Doggett	4 wks	2,750
Flail Mowing Services High Peak	Flail Grass cutting on high ways in High peak	Recurring	Operational Services – Grounds	n/a	Novation to AES		

## Fourth Quarter Procurement Activity Completed – JOINT

Contract name	Brief contract description	Recurring or One Off	Service Area	Procedure	Award Detail	Term / Duration (years)	Total Contract Value
Alliance Consultancy Framework – H&S CDM Professional Services	Alliance own established framework for H&S and CDM Professional services for Capital Programme construction contracts	Recurring	Assets	Not required for level of expected services needed for future yrs	Deleted from Procurement forward Plan Individual requirements will be sourced directly from Open RFQ or National Frameworks		
Quantity Surveying Services for HPBC & SMDC	As above for QS Professional Services	Recurring	Assets	Not required for level of expected services needed for future yrs	Deleted from Procurement forward Plan Individual requirements will be sourced directly from Open RFQ or National Frameworks		
Staff Learning and Development Programme For Alliance Employees	Overall training provider arrangement with University of Derby	Recurring	OD& Transformation	Not required for whole contract scope	Deleted from Procurement forward Plan Individual requirements will be sourced directly from RFQ process or available training providers for professional qualifications on case by case basis		
Supply Computer Consumables for Printing units	Supply of printer toners for individual machines	Recurring	Customer Services	Not required – low value Reduced requirements	Deleted from Procurement forward Plan Print rationalisation project reduced requirements for purchase of printing sundries		