



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 agreed by Councillors in April 2017.
- 1.2 The current Procurement 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 include:-
- 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 during the fourth quarter January – March 2020 is summarised below:

Fourth Quarter	High Value (> £181,000)	Low Value (< £181,000)	Total
SMDC Only	-	7	7
JOINT (SM/HP)	-	4*	4
TOTAL	-	11	11

- 2.2 Annex A provides details of the 11 procurement exercises reviewed and completed during Quarter 4. 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.

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

- 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 completion or starting in 2020/21.

2019/20 Activity	High Value (> £181,000k)	Low Value (< £181,000k)	Total
SMDC	4	28	32
JOINT (SM/HP)	4	20	24
TOTAL	8	48	56

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
- Brough Park Outdoor Play and recreation Project
- Fleet replacements – AES
- Facilities Management Contract
- Car Parks – P&D 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 st March 2019
% of Alliance Procurement Activity on Forward Plan	72%	67%
Annual contract spend as % of gross expenditure budget	89%	84%
% 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 - SMDC

Contract name	Brief contract description	Recurring or One Off	Service Area	Procedure	Award Detail	Term / Duration (years)	Total Contract Value (inc exts)
Brough Park Leisure Centre Structural Works	Structural Repair works to Leisure Centre	One Off	Assets	Contracted via Parkwood Leisure	Delegated under Contract Parkwood Leisure	n/a	113,000
Webcasting Hosting and Software – Committee Meetings	IT support and hosting for public committee meetings	Recurring	Transformation / Member Services	Single Source	Public I	5	59,306
Church Road Play Area Improvements	Improvements to Church Road Recreation Ground	One Off	Service Commissioning	Framework	Wicksteed Leisure	6 - 8 wks	11,260
Water level Monitoring Hales Hall Pool	Monitoring of water levels at Hales Hall Pool reservoir including quarterly visits and management of telemetry and alarm system	Recurring	Service Commissioning	Single Source	WSP Ltd	1	3,067
Blythe Vale Viability Review	Consultancy support	Recurring	Development Control	Single Source	Keppie Massey	4 wks	3,500
Repair to Tracks Wetley Moor Common	Repair of potholes on 2km of access track at Wetley Moor Common and access to Car park	One Off	Service Commissioning	Request For Quotes	County Ground Services	4- 8 wks	2,640
Biddulph Play Area Fencing replacement	Replacement fencing at Biddulph Recreation ground Play area	One Off	Operational Services - Grounds	Request For Quotes	County Ground Services	N/a	3,800

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 Construction Design Management 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		