



**2020/21**

**Third 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 Full Council in February 2017.
- 1.2 The current Procurement Strategy was developed to ensure that its objectives linked closely with the Council's overall strategic vision and aims and objectives. The key actions included, delivery of cashable savings, development of a professional Procurement unit, updated Procurement Rules to support transparency and the implementation of electronic tendering processes and procurement systems.
- 1.3 The Procurement Strategy is now due for updating and is scheduled for presentation during 2021 initially as an Information Digest report to obtain Member feedback prior to final approval (this was anticipated during 2020, but delayed due to Covid-19 workload). The revised strategy will focus on the following key objectives to support the aims of the Council's Corporate plan:
- Delivering Value for Money
  - Commercial focus and effective Contract Management
  - Maintaining Transparency and Ethical practices through effective leadership
  - Promoting Responsible and Sustainable Procurement
  - Supporting the Local Economy and Business Growth
  - Delivering Social Value (CSR) through our Contracts

## 2. Third Quarter Completed Procurements

- 2.1 The activity supported by the procurement function during the Third quarter October – December 2020 is summarised below:

Third Quarter	High Value (> £181,000)	Low Value (< £181,000)	Total
SMDC Only	0	3	3
JOINT (SM/HP)	1	2	3
<b>TOTAL</b>	<b>1</b>	<b>5</b>	<b>6</b>

- 2.2 Annex A provides details of the 6 procurements exercises reviewed and completed during Quarter three.

## 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.

2020/21 Activity	High Value (> £181,000k)	Low Value (< £181,000k)	Total
SMDC	3	25	28
JOINT (SM/HP)	3	18	21
<b>TOTAL</b>	<b>6</b>	<b>43</b>	<b>49</b>

In addition to the above, there are 222 listed entries brought forward from previous years (for review and completion for both HPBC and SMDC combined). It should be noted that the items listed are a combination of recurring contracts coming up to expiry, one offs, new items off contract and aggregate spend opportunities.

3.2 Some of the more significant ‘high level’ procurement activity that is scheduled for delivery in 2020/21 includes:-

- IT Managed Service Support Contract
- Facilities Management and Building Condition Surveys
- Supporting delivery of the Fleet Replacement Strategy
- Car Parks Strategy
- Brough Park Play and Recreational improvements

#### 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 third quarter is highlighted below:-

Performance Indicator	Target	Performance at 31 <sup>st</sup> December 2020
% of Alliance Procurement Activity on Forward Plan	65%	68%
Annual contract spend as % of gross expenditure budget	89%	91%
% Of invoices paid within 30 days	96%	93%

4.3 Invoice payments made within 30 days for the third quarter did not achieve target, the additional duties in relation to administering the business grant payments and reduced resources in the team over the summer due to long term sick absence has affected the performance on invoice payments. Although the position is recovered in terms of backlog, the impact of quarter two has affected the cumulative position over the year.

4.4 For 2020/2021 additional new performance indicators have been introduced, these are currently being measured to establish targets to implement for 2021/2022.

Performance Indicator	Target TBC for 21/22 (baseline to be established 20/21)
Supplier (Creditor) spend within the local area as a % of total spend	In progress: baseline being monitored
% of Contracts awarded to local suppliers following submission of EOI* (over £5,000)	In progress: Method review of source data extraction
% of EOI* that come from businesses within the local area (over £5,000)	In progress: Method review of source data extraction

\*EOI – Expression of Interest

## ANNEX A

### Third Quarter Procurement Activity Completed - SMDC

Contract Title	Brief contract description	Recurring or One Off	Service Area	Procedure	Award Detail	Term (years)	Total Contract Value £
Brough Park - Play Area improvements, creation of MUGA & new PLAY areas	Recreation project at Brough park Play areas  Supply and installation	One Off	Service Commissioning	Framework Further competition	Kompan Ltd	n/a	170,174
Biddulph Valley Leisure Centre - Boundary Wall repairs	Works Contract at Biddulph Valley LC	One Off	Service Commissioning	Open Tender	Alliance Contracting Solutions	n/a	91,579
Purchase of Fruit Trees (Env project)	Supply of Various Fruit trees	One Off	Service Commissioning	RFQ	Proctors Nursery	n/a	2,274

### Third Quarter Procurement Activity Completed – JOINT (HPBC & SMDC)

Contract Title	Brief contract description	Recurring or One Off	Service Area	Procedure	Award Detail	Term / Duration	Total Contract Value £
AES Fleet replacements Street Sweepers	Purchase of 2 new Street Sweepers	One Off	Service Commissioning	Framework Direct Award	Stock Sweepers Ltd	12 – 16 wks	335,586
Covid-19 Marshalls – Agency workers	Temporary additional resources Supporting the Environmental health teams in response to Covid-19	One Off	Regulatory – Environmental Health	Single Source	Red Snapper Group	6months (initially)	40,000
Pollution Team Agency Support	Temporary additional resources supporting Pollution team	One Off	Regulatory – Environmental Health	Single Source	Vivid	2-3 months	10,800