



2021/22

**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 approved 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 revised Procurement Strategy is scheduled for presentation and implementation following consultation with Members during 2021/22. The revised strategy will focus on the following key objectives to support the aims of the Council's Corporate plan and align with the LGA National Procurement Strategy:
- 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
- 1.4 The strategy is timetabled for decision and implementation in March 2022, due to further review on the key priorities and outputs to align with other relevant key strategies currently being developed. Further consultation is planned with local business forums to actively engage local small to medium businesses to gain feedback on our key priorities.

2. Third Quarter Completed Procurements

- 2.1 The activity supported by the procurement function for the third quarter October 2021 to December 2021 is summarised below:

Third Quarter	High Value (> £181,000)	Low Value (< £181,000)	Total
HPBC Only	1	18	19
JOINT (SMHP)	[-]	5	5
TOTAL			24

- 2.2 Annex A provides details of the 24 procurement exercises completed during Quarter two.

3. 2021/22 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 2021/22.

2021/22 Activity	High Value (> 181,000k)	Low Value (< £181,000k)	Total
HPBC	7	22	29
JOINT (SMHP)	4	18	22
TOTAL			51

In addition to the above, there are 223 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 support and delivery in 2021/22 includes:-

- Facilities Management (Joint venture delivery model)
- Glossop Halls (D2N2) refurbishment project (Glossop Indoor Market and adjacent buildings) – Main Contractor
- Glossop Market Operator Concession
- HIF A6 Hogshaw Roundabout Main Contractor
- Future High streets – Spring Gardens Buxton
- Gas Servicing and Maintenance - HRA
- EFG Greener homes LAD2 funding – HRA
- HRA Capital works contracts (Kitchens (Supply and install) / Roofing / Electrical)
- Professional Services Contract – Architectural Framework

4. Procurement Performance

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

4.2 Performance for the third quarter is highlighted below:-

Performance Indicator	Target	Performance at 31st December 2021
% of Alliance Procurement Activity on Forward Plan	68%	50%
Annual contract spend as % of gross expenditure budget	93%	92%
Supplier (Creditor) spend within the local area as a % of total spend	Baseline	Result 20/21 8%
% of Contracts awarded to local suppliers following submission of EOI (over	Contextual	Result 20/21 32%

£5,000)		
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Performance Indicators – targets off track

4.3 We are continuing our communication programme of regular service review meetings to ensure planned activity is captured and monitored on the plan. We are continuing to work with service areas to ensure they are compliant in commissioning Supplies, Services or Works and that the internal processes are adhered to.

5.0 Revised Public Contract Regulations Threshold changes 2022

5.1 Notification of the new threshold values to apply for the purposes of the Public Contracts Regulations 2015, Utilities Contracts Regulations 2016, Concession Contracts Regulations 2016 and the Defence and Security Public Contracts Regulations 2011. The threshold values are refreshed every two years and it is mandatory for public sector contracting authorities to adhere to these regulations.

5.2 The new procurement threshold values will apply to contracts advertised on and after 1 January 2022.

5.3 The revised thresholds below are exclusive of VAT and relate to the full life of the Contract:

PUBLIC CONTRACT THRESHOLDS 2022 & 2023	£
Works Contracts	5,336,937
Small Lots	884,720
Supply, Services and Design Contracts	213,477
Small Lots	70,778
Social and other specific Services	663,540
Light Touch Regime	
Subsidised services contracts	213,477
Concession Contracts	5,336,937

5.4 Changes to the estimated value methodology will apply from January 2022 to include VAT on contract values. Therefore when calculating the estimated value of the contract to determine whether the regulations apply, the contract value estimation should be inclusive of VAT (where applicable) from 1 January 2022.

5.5 This is a change in practice, as a result of the UK's independent membership of the GPA. The revised thresholds have been calculated in accordance with established GPA practice. Procurers should calculate the estimated value of a contract based on the total amount payable including VAT without making a deduction for any available VAT recovery

5.6 The Council's Procurement Procedure Rules for Authorisation to procure and award contracts are requested to be updated to reflect the changes in the new

thresholds. This will be presented for approval in the Procurement Forward Plan as part of the MTFP submitted to full Council in February 2022.

ANNEX A

Third Quarter Procurement Activity Completed – HPBC

Contract Title	Brief contract description	Recurring or One Off	Service Area	Procedure	Award Detail	Term / Duration	Total Contract Value £
Pavilion Gardens works (PHASE 3)	Works to the Atrium, Conservatory, Lobby, Ticket Office	One Off	Assets	Open Tender	Restoration Projects Ltd	12-16 wks	378,084
High Peak Housing and Economic Needs Assessment	Consultancy Appointment	One Off	Development Control	Open Tender	Nathaniel Lichfield and Partners	3 months	34,910
High Peak Retail and Town Centre Study	Nexus Planning Ltd	One Off	Regeneration	Open Tender	Nexus Planning Ltd	3 months	22,993
HPBC Tenants Residential Engagement Support	Tenant engagement initiative	One Off	Housing Services	Single Source	Tapas Ltd	6 months	25,800
Local Food Guide Development and Design	HP Local Food Guide development & design	One Off	Regeneration	Single Source	FIG Creative	3 months	24,024
Toddbrook Reservoir Planning Application	Resource support for Service	One Off	Development Control	RFQ	Urban Imprint Ltd	3 – 4 months	6,696
Pavilion Gardens Conservatory Horticultural support	Appraisal of Conservatory Plants and management whilst works undertaken at Pavilion Gardens Specialist support	One Off	Assets	Single Source	Alan Mason Garden Design	7 months Capped at £10k (subject to requirements)	
Welcome back High street Business Support High peak		n/a	Regeneration	Taken off work plan for exercise – delivered through SLAs detailed in Q2 report			
Public Health Funding projects	Various projects - subject to funding decisions for Local Authority Walking for Health	Recurring	Service Commissioning	Taken off work plan for exercise – delivered through internal resources			

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 £
Email Security Software- VIPRE	IT systems and software	Recurring	Transformation	RFQ	Vipre Security Ltd	2 yrs	8,094
Stationery Items	Provision of stationery supplies	Recurring	Customer Services	Framework via DCC	Banner Ltd	2 (+2) yrs	Est 29,000
Levelling up Fund	Consultancy Support (initial scoping)	One Off	Regeneration	Single Source	Mutual Ventures	4 wks	12,000
Cycle to work scheme	Employee incentive scheme	Recurring	Transformation OD	Framework	Cyclescheme Ltd	1 yr	5,000
Water Sample risk Assessments	Risk Assessments for private water supplies	Recurring	Environmental Health	Single Source	R H Environmental	Until 31/03 /22	11,893
Climate Change Explainer Videos	Creation of videos – Climate Change strategy and measures	One Off	Communities Climate Change	RFQ	Be Inspired	8-10 wks	2,160
Organisational Development Consultancy Support	Consultancy Appointment to support Alliance's OD Strategy	One Off	Transformation	Single Source	Camburg Collective	8-10 wks	29,850
Collection and Disposal of Confidential waste from offices		Recurring	Assets Compliance	Taken off workplan – incorporated in wider FM project (low value)			