



2024/25

**First Quarter
Procurement
Review**

1. Introduction

- 1.1 A key element of achieving continuous improvement and meeting efficiency and savings targets is to ensure that the Council is achieving best value through its sourcing activities, through effective and compliant procurement practices.
- 1.2 The previous Procurement Strategy was developed in 2014 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. All of which have been achieved.
- 1.3 The revised Joint Procurement Strategy is now approved. The revised strategy, covering 2022-2025 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 Council will work to achieve these priorities by adopting and implementing the following key themes which underpin and will drive the strategy forward over the next three years:
 - Showing Leadership
 - Behaving Commercially
 - Achieving Community Benefits
 - Environmental Sustainability
 - Ethical Sourcing
- 1.5 In addition to the deliverable actions as detailed in the revised Strategy, during 2024/2025 we will be focussing on preparing a revision to the current Procurement Procedure Rules which govern our own internal regulatory framework for contracting. The current procedure rules were refreshed in 2017, which incorporated changes to requirements for contract award authorisations and procedures appropriate to varying spend thresholds.
- 1.6 Revision to current procedures are required to enable less restrictive requirement practices which will directly support the strategy's key objectives ie to support local, achieve community benefits and support our climate change actions. It is timely to refresh the procedure rules in consideration of wider Public sector contracting changes in legislation, from this we aim to mirror the flexibility of the

new regulations to reduce barriers for smaller businesses when applying for contracts.

2. First Quarter completed Procurements

2.1 The activity supported by the Council's procurement team for the first quarter 01 April 2024 to 30 June 2024 is summarised below:

First Quarter	High Value (> £181,000)	Low Value (< £181,000)	Total
HPBC Only	[-]	12	12
JOINT (SM/HP)	2	4	6
TOTAL			18

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

3. 2024/25 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) remaining and scheduled for either completion or starting in 2024/25.

2024/25 Activity	High Value (> 181,000k)	Low Value (< £181,000k)	Total
HPBC	6	39	44
JOINT (SM/HP)	8	40	48
TOTAL			92

In addition to the above, there are a further 125 listed (recurring and future contracts requiring procurement support) items 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 2024/25 includes:-

- Leisure Transformation programme support
- UK Shared Prosperity Fund programme support
- Glossop Markets & Creative / Business space Operator Concession
- Future High streets –Revitalising Buxton (Consultancy / Development Partner)
- EFG Greener homes HUG2 Decarbonisation (off Grid) funding
- IT / Transformation project support (inc. new Intranet / Finance system upgrade)
- Insurance Contract
- Elections Stationery and Canvass Service Contract
- Hybrid Mail Inc Annual Billing Contract
- Arboricultural works Contract

- Simpler recycling changes to waste legislation – vehicles and facilities procurement
- Buxton Cemetery expansion project

Transforming Public Procurement Reforms

3.3 The Procurement Bill, which will reform the existing Public Sector Procurement Rules, has been approved through Parliament. The reforms will;

- create a fully transparent public procurement system, through a central digital platform;
- aim to create a simpler and more flexible, commercial system that better meets our country's needs while remaining compliant with our international obligations;
- open up public procurement to new entrants such as small businesses and social enterprises so that they can compete for and win more public contracts.

3.4 The Bill has now received Royal Assent and is now the Procurement Act 2023 which has now initiated a six month comprehensive learning and development programme for public sector Contracting Authorities co-ordinated by the Cabinet Office.

3.5 The Procurement team have been working to complete several hours of online training through the Cabinet commercial college as part of the national roll out programme for learning and application in practice of the new regime.

3.6 Under the new Act there will be an increased focus and reporting requirements for contracts once executed. New requirements for publication of actual contract documents, performance monitoring and notices required for contract change modifications for high value contracts over £5m (total contract value) will be mandatory. There is however, a more flexible approach to how we procure for above threshold contracts, namely the standard open procedure remains and the new Competitive Flexible procedure replaces four of the existing procedures into one which permits contracting authorities to design their own exercise subject to the complexity and proportionate to the future contract.

3.7 A further paper is in progress to summarise the key changes and what will be required during the transition period post 28 October 2024 when the new regime will be effective from. Above threshold contracts procured upto that date will be subject to the current regime.

4. Procurement Performance

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

4.2 Performance for the first quarter is highlighted below:-

Performance Indicator	Target	Performance at 30 June 2024
Annual contract spend as % of gross expenditure budget	1% improvement to 23/24 (93%)	93%
Performance at 31/03/2024 (Annual)		
Supplier (Creditor) spend within the local area as a % of total spend	9% (2023/24)	7.56% (2023/24)

4.3 Procurement team are scoping a wider review of reporting data on local supply chain spend with the Council's controlled companies Alliance Environmental Services and Alliance Norse Ltd to be included in the quarterly reports.

4.4 Alliance Environmental Services through ANSA procurement support have prepared a Procurement Assurance report which details the policies, performance and procedures for procurement in the controlled company. The following performance information was included in the assurance report completed in March 2024 for 2023/2024 covering both High Peak and Staffordshire Moorlands supply chain areas.

Extract from Alliance Environmental Services Ltd Procurement Assurance report:

SUPPLIER SPEND DATA

On a quarterly basis the Contracts and Procurement Team review spend across AES to ensure that suppliers with spend over £20,000 have formal contracts in place.

The information below shows the value of On Contract versus Off Contract spend for Q1, Q2 and Q3.

Total Spend	£4,489,633
Spend with a contracted supplier	£3,925,027
Spend off contract	£564,606

Percentage of spend on contract	87.4%
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Any spend which is off contract must still be procured through a correct procurement procedure.

AES understands the importance of having a diverse range of suppliers and are committed to ensuring SMEs have the same opportunity to win contracts.

The upcoming procurement regulation reform aims to make it easier for businesses to enter public sector supply-chains and this will benefit SME and Voluntary, Community and Social Enterprises (VCSEs).

We actively monitor the number of contracts held with SMEs. The below table provides an overview of spend with SMEs.

Total Spend with Contracted Supplier	£3,925,027
Spend with SME's	£1,776,042
Percentage of spend with SME's	45%

Further spend analysis is undertaken to determine spend with local suppliers. This is summarised below:-

Total Spend with Contracted Supplier	£3,925,027
Spend with supplier in DE postcode	£452,769
Spend with supplier in ST postcode	£738,501
Spend with supplier in SK postcode	£3,358
Percentage spend with local suppliers	30%

First Quarter Procurement Activity Completed – HPBC

Contract Title	Brief contract description	Recurring or One Off	Service Area	Procedure	Award Detail	Term / Duration	Total Contract Value £
Planning appeal	Expert witness appointment (detail not disclosed)	One Off	Development control	Single source	AR Group	2 months	24,900
Hogshaw Planning development	Consultancy support/ Professional services in relation to Hogshaw development	One Off	Development Control	Single Sources	Barnes Walker Mather Jamie	6months TBC	6,156 20,000
Active Trail Signs Pavilion Gardens	Signs	One off	Service Commissioning	Quotation	Leek Signs and Graphics	Supply	6,650
Planning appraisal	Consultancy appointment Public Building (not disclosed)	One off	Assets	Single source	Lambert Smith Hampton	4 wks	2,950
High Peak play and Outdoor Sports investment plan 23/24	Derby Road Area refurbishment	One Off	Service Commissioning	Tender	Kompan	4 months	49,821
Stock Condition Survey Programme 2024	Professional support	One Off	Assets	Direct Award	G2 Recruitment	3 months	50,868
Planning appeal	Expert witness appointment (detail not disclosed)	One Off	Development Control	Single Source	White Peak Planning	4 wks	9,750
RAAC Building Inspection	Professional Services Glossop Leisure centre	One Off	Assets	Single Source	David Trowler Associates	2 wks	14,460
Software licence / support renewal	Locata Housing system	Recurring	Transformation IT	Tender via Derbyshire Consortium	Locata	3 yrs (+1)	57,000
Planning appeal	Landscape evidence - professional consultancy services	One Off	Development Control	Single source	Ryder Landscapes Consultants	6-8 wks	6,320
Planning Inquiry venue	Venue for public Inquiry	One Off	Development Control	Single Source	Village Hotel Hyde	8 wks	11,000

First 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 £
Software	Password mgmt. software	Recurring	Transformation IT	Rolling renewal	Specops Software	1 yr	2,375
Procurement of Delivery Partners	for E33 Employment Support, E39 Green Skills, E38 Vocational Skills, E41 Digital Skills (UKSPF Funding)	One Off	Regeneration	Tender (Multilot)	LOT 1 - BES £95,000 LOT 2 - Link £30,618 LOT 3 - Staffordshire Chamber £285,000 LOT 4 - Not awarded £0 Other options under consideration	1 yr	410,618
CCTV Consultancy	Professional appointment (technical and PM support)	One Off	Communities	Direct Award	SWG Ltd	6 months	11,450
UKSPF – Energy project	UKSPF - Energy Project - Light Bulbs	One Off	Assets	CCN	Alliance Norse ltd	[-]	250,000
Food Inspections	Agency support	One Off	Regulatory	Direct Award	Robert Atowo	8 months	5,000
Post room equipment	Rental of equipment	Recurring	Customer Services	Further comp Framework	Pitney Bowes	2 + 3 yrs	20,523