



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 Council's 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 2023/2024 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.

2. First Quarter Completed Procurements

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

First Quarter	High Value (> £181,000)	Low Value (< £181,000)	Total
SMDC Only	0	9	9
JOINT (SM/HP)	2	4	6
TOTAL			15

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

3.0 2024/25 Procurement Forward Plan & Projects

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 2024/25.

2024/25 Activity	High Value (> 181,000k)	Low Value (< £181,000k)	Total
SMDC	9	31	40
JOINT (SM/HP)	8	40	48
TOTAL			88

In addition to the above, there are a further 125 listed (recurring contracts and possible project requiring procurement) 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 delivery in 2024/25 to 2025/26 includes:-

- Leisure Transformation programme support
- Levelling Up Funded projects support
- UK Shared Prosperity Fund project support
- Fowlchurch Depot project support
- 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

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 procurement activity, we have also included detail on Alliance Environmental Services procurement annual assurance report.

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 (94%)	94%
Performance at 31/03/2024 (Annual)		
Supplier (Creditor) spend within the local area as a % of total spend	8% (2023/24) 8.5% (2024/25)	7.3% (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 (detailed in section 5.0) was included in the assurance report completed in March 2024 for 2023/2024 covering both High Peak and Staffordshire Moorlands supply chain areas.

5.0 Extract from Alliance Environmental Services Ltd Procurement Assurance report

5.1 SUPPLIER SPEND DATA – Alliance Environmental Services Ltd

On a quarterly basis the Contracts and Procurement Team (ANSA) 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 (2023/24).

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%

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.

- 5.2 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%

- 5.3 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%

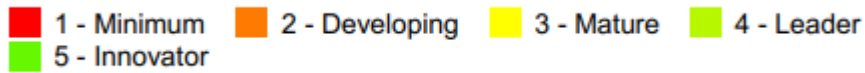
6.0 National Procurement Strategy (NPS) Performance benchmark

- 6.1 The National Procurement Strategy (NPS) toolkit supports the NPS vision and 'recipe for success'. It is a self-assessment toolkit which councils can use to;

- understand the maturity of the procurement function
- set goals
- assess progress

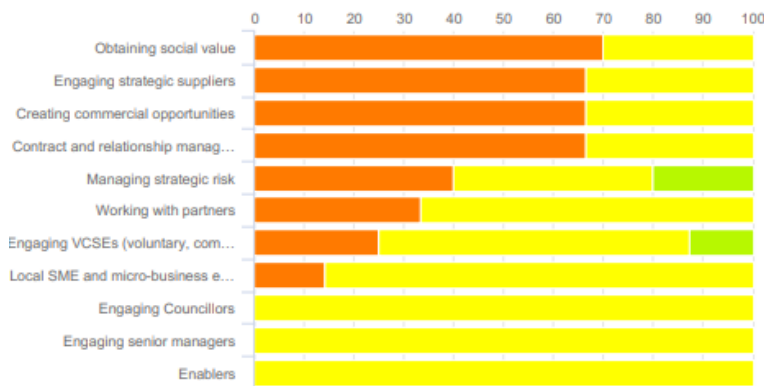
- 6.2 Staffordshire Moorlands District Council participated in the last diagnostic run in 2021 for NPS 2018 prior to the current NPS coming into effect in 2022. The diagnostic was completed by 132 county / unitary / metropolitan councils (including six from Wales) and 80 district councils.

- 6.3 Councils were asked to score themselves across a number of criteria sections using the following methodology;



6.4 The following table details the combined question sets scores for each area assessed:

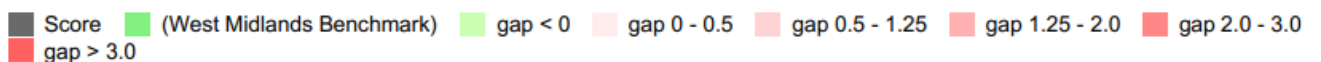
Section Score Distributions



6.5 Results for the Council were positive and encouraging in consideration of the maturity and effectiveness of the Council’s procurement practices and Governance arrangements. Overall the Council was assessed as ‘Mature’ in most areas of assessment with some further areas as Developing.

6.6 The chart below details the self-assessment score for the Council against the West Midlands average score:

Section Score Comparison



- 6.7 The Council were positioned on or above average with the exception of working with partners where we recognised there is further work to be done in this area. The full report is available for review upon request.
- 6.8 The procurement team during 2024/2025 plan to repeat a further self assessment using the NPS toolkit following on from the positioning outcome of the last diagnostic, to support the outcome review of the Council's current procurement strategy, due to be refreshed during 2025. The aspirations set from the last diagnostic are to achieve progression from 'mature' to 'leader' against the majority of criteria areas.

ANNEX A

First Quarter Procurement Activity Completed - SMDC

Contract Title	Brief contract description	Recurring or One Off	Service Area	Procedure	Award Detail	Term	Total Contract Value £
Electric Vehicle charging points	Moorlands House	One Off	Assets	Single Source	EON.	n/a	85,911
Planning Appraisal Moorlands House	Professional services	One Off	Assets	RFQs	LSH (Lambert Smith Hampton)	4 wks	2,950
Planning Appeal evidence	Professional Services	One Off	Development Control	RFQs	White Peak Planning	12 wks	7,250
Planning application support (Major)	Professional Services	One Off	Development Control	Single Source	Declan Cleary Planning Consultant	16 wks	7,200
Pollution Technical Support	Temporary support	One Off	Environmental Health	Single Source	Vivid	20 wks	25,000
Birchall Leek Improvement project Phase 1 - B	Fitness Equipment Installation	One Off	Service Commissioning	Framework Further Competition	Kompan	16 wks	76,949
RAAC Inspection Biddulph Town Hall	Professional services	One off	Assets	Single Source	David Trowlers Associates	3 wks	7,470
Planning Witness public inquiry	Professional Services	One Off	Development Control	RFQs	Urban Imprints	8 months	11,057
Planning application support (Major)	Professional services and Landscape consultant	One off	Development Control	Single Source	DC Planning Consultancy	12 wks	5,000

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