



**2017/18**

**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 the implementation of the Procurement Strategy which was agreed by Councillors in April 2014.
- 1.2 The 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 the strategy included:
  - 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 Financial and Procurement Procedure Rules to support transparency, timeliness of contract award and greater control
  - 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
- 1.3 Significant progress has been made since April 2014, in conjunction with the external support of the Council's transformation partner Northgate Information Solutions. The reliance on this external support ended when a new procurement staffing structure was implemented as part of the service review process. This enabled new working initiatives to be implemented, including the integration of the Creditors function into Procurement to ensure the 'Purchase to Pay Cycle' is robust and able to meet the demands of efficiency and performance targets.
- 1.4 Additionally, the introduction of new systems and electronic processes now enables the Council to be fully compliant in accordance with Transparency Code and Public Contract Regulations requirements – with all procurement opportunities over £5,000 now openly advertised.
- 1.5 The Procurement Procedure Rules have been recently updated and the updated Procurement Strategy is scheduled for presentation during 2017/18.

## 2. Third Quarter Completed Procurements

2.1 The activity supported by the procurement function during the third quarter October – December 2017 is summarised below:

Third Quarter	High Value (> £172,000)	Low Value (< £172,000)	Total
SMDC Only	-	11	11
JOINT (SM/HP)	-	4	4
<b>TOTAL</b>	-	<b>15</b>	<b>15</b>

2.2 Annex A provides details of the 15 procurements exercises reviewed and completed during Quarter 3.

2.4 As a result of procurement activity, at the end of Quarter Three cashable savings of £3,370 have been achieved to date, which have been offset against the efficiency programme.

2.5 A number of one-off procurement exercises have also taken place – which may result in savings against overall budget. This will be assessed when reviewing overall expenditure and undertaking a comparison against budget to identify where budgets can be reduced due to procurement activity.

### 3. 2017/18 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 in 2017/18.

2017/18 Activity	High Value (> £172,000k)	Low Value (< £172,000k)	Total
SMDC	4	10	14
JOINT (SM/HP)	5	24	29
<b>TOTAL</b>	9	34	<b>43</b>

In addition to the above, there are 75 listed entries brought forward from previous years for review for both HPBC and SMDC.

3.2 Some of the more significant 'high level' procurement activity that is scheduled for delivery in 2017/18 includes:-

- Facilities Management Contract
- Leisure Centre Management
- CCTV Maintenance and Monitoring Arrangements
- Elections Printing and Canvass Services
- Leek Markets Logistic Support (Market stalls)

#### 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:-

<b>Performance Indicator</b>	<b>Target</b>	<b>Performance at 31<sup>st</sup> December 2017</b>
% of Alliance Procurement Activity on Forward Plan	65%	67%
Annual contract spend as % of gross expenditure budget	72%	77%
% Of invoices paid within 30 days	95%	96%

## ANNEX A

## Third Quarter Procurement Activity Completed

Auth	Contract Title	Contract Description	Recurring or One-off contracts	Service Area	Contract Awarded To	Term (YRS)	TCV (inc exts)
<b>Low Value (&lt;£172,000)</b>							
SMDC	Biddulph Valley Leisure Centre	Remedial works to structural steel columns to swimming pool hall, including all opening up to facilitate access to column bases and subsequent making good, in accordance with specification	One-off	Assets Capital	G F Tomlinsons	1	116,808
SMDC	Commercial Market demand assessment	Assessment of the commercial market in Leek area	One-off	Regeneration	Cushman and Wakefield	1	10,413
SMDC	Retail Impact Threshold Advice	Update to the recommended threshold for the requirement for applicants to submit retail impact assessments.	One-off	Regeneration	G V A Grimley	1	5,500
SMDC	Ecological Assessments	Local plan ecological assessments required to support the SMDC local Plan	One-off	Regeneration	ECUS	1	5,020
SMDC	Moorlands Partnership Board - Funerary Monuments remedial works	SUPERSEEDS PROC-2473 Appointment of Architect to appoint and oversee contractor for minor works to monuments in SMDC	One-off	Regeneration	Smith and Roper	1	3,965
SMDC	Monuments Remedial Works	Appointment of Architect to appoint and oversee contractor for minor works to monuments in SMDC					
SMDC	Drains Survey	Drains Survey at Leek, Leekbrook former Railway site	One-off	Regeneration	Drain Tech Surveys Ltd	1	2,840
SMDC	Ground vegetation management work Marshes Hill Common	Conservation management of heather, ground vegetation and gorse at Marshes Hill Common	Recurring	Operational Services - Horticulture	Blue Sky	1	2,200
SMDC	DCP Online Renewals	Renewal of DCP Online Subscription expiring 30.04.2018	One-off	Regulatory Services - Planning & Building Control	DCP Online	1	2,180

SMDC	Footpath Repairs Biddulph Grange Country Park	Repair of 176m of promoted footpath at Biddulph Grange Country Park	One-off	Operational Services – Horticulture	Wrights Landscapes	1	2,150
SMDC	Repair access track to Marshes Hill Common	Essential repairs to access track	One-off	Operational Services – Horticulture	Wrights Landscapes	1	1,800
<b>JOINT PROCUREMENT ACTIVITY</b>							
Auth	Contract name	Contract Description	Recurring or One-off contracts	Service Area	Contract Awarded To	Term (YRS)	TCV (inc exts)
<b>Low Value (&lt;£172,000)</b>							
JOINT	Structural and Civil Engineer Framework	Professional Services	Recurring	Assets Capital Projects	Alan Brough Associates Wright Mottershaw Lydon Consultants Price & Myers	2	150,000
JOINT	Grounds Maintenance Equipment	Grounds maintenance Equipment - Leaf Blowers, Lawn Mowers	One-off	Operational Services - Horticulture	Tudor Environmental Lot 1  SGM Contracts Lot 2	1	8,008
JOINT	Strategic Housing & Economic Land Availability Assessment	Consultancy	One-off	Regeneration	Peter Brett Associates	1	59,601
JOINT	E-tendering System	Provision of E-tendering solution for HPBC and SMDC	Recurring	Organisational Development & Transformation - ICT	ProActis Due North Ltd	4	17,800