



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 originally 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 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 Alliance 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 which ensures that 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 for the third quarter October - December 2017 is summarised below:

Third Quarter	High Value (> £172,000)	Low Value (< £172,000)	Total
HPBC Only	1	17	18
JOINT (HP/SM)	-	4	4
TOTAL	1	21	22

2.2 Annex A provides details of the 22 procurement exercises reviewed and completed during Quarter 3.

2.4 As a result of procurement activity, at the end of Quarter 3, cashable savings of £16,000 (£6,000 HRA) 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 (> £172,000)	Low Value (< £172,000)	Total
HPBC Only	6	34	40
JOINT (HP/SM)	5	24	29
TOTAL	11	58	69

In addition to the above, there are 75 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 delivery in 2017/18 includes:-

- Pavilion Gardens Operating Concession Contract
- Facilities Management Contract
- Leisure Centre Management
- CCTV Maintenance and Monitoring Arrangements
- Elections Printing and Canvass Services
- Electrical Inspections and Services – HRA Housing Properties
- Gas Servicing & Maintenance – HRA Housing Properties
- Construction Materials Supply
- Sub-contractor framework – Minor Works

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 second quarter is highlighted below:

Performance Indicator	Target	Performance at 31st December 2017
% of Procurement Activity on Forward Plan	65%	67%
Annual contract spend as % of gross expenditure budget	72%	72%
% 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)
High Value (>172,000)							
HPBC	Gas servicing and Solid Fuel Service Contract	Servicing and maintenance of gas appliances/solid fuel appliances	Recurring	Assets Compliance HRA	Liberty Gas Group	4	1,487,726
Low Value (<£172,000)							
HPBC	Estate Regeneration Funding Consultancy	Funding allocated for Estate Regeneration, - appointment of Consultancy to deliver options and proposals for use of the funding against HPBC Housing Estate areas upto £150,000 TCV	One-off	Assets Capital	Michael Dysons Associates and BDP Group	1	150,000
HPBC	Radon - Installation of remediation equipment in HPBC Properties	The Installation of Radon Reduction equipment to include items such as sumps to reduce the radon readings in effected properties.	Recurring	Assets HRA Compliance	NSJ Contractors	1	100,000
HPBC	Radon Monitoring (Winter Testing) surveys and lab analysis	The monitoring of Radon readings in effected areas to include the installation, removal and lab analysis of the readings taken over a three month period.	Recurring	Assets HRA Compliance	Broadlands	1	76,000
HPBC	Sylvan Car Park works	Car park Refurbishment	One-off	Assets Capital	Alliance Group Solutions Limited	1	64,988
HPBC	Mobility Scooter Store - Sheltered Accommodation HP	Bespoke Scooter Store supplied and installed at various sheltered blocks	One-off	Assets HRA Capital	R & S Tonks Ltd	1	53,847
HPBC	Alarm Equipment Maintenance	Required for sheltered accommodation.	Recurring	Customer Services Housing Tenancy	Tunstall Healthcare (UK) Ltd	2	43,566
HPBC	Assisted Living Maintenance Contract (for HPBC Carelink)	Support and Maintenance contract for Carelink Community Alarm Equipment					

Auth	Contract Title	Contract Description	Recurring or One-off contracts	Service Area	Contract Awarded To	Term YRS	TCV (inc exts)
HPBC	Radon Gas Consultant	Specialist Radon consultant required to provide assessments & implementation to meet government advice	One-off	Assets HRA Compliance	NSJ	1	28,762
HPBC	Gladstone Street Walkway - Water Ingress	Remedial Works to prevent water ingress at 66-80A Gladstone Street, Glossop. The works are of a specialist nature as they affect the existing waterproof coating	One-off	Assets Capital	Liquid Roofing Ltd	1	25,418
HPBC	Victoria Halls Feasibility Study	Consultancy Appointment	One-off	Democratic & Community - Democratic Services	Purcell Miller Triton LLP	1	19,780
HPBC	Measured Surveys	At Fairfield View Buxton, & Winster Mews	One-off	Assets HRA Compliance	Michael Dyson Associates Ltd	1	15,500
HPBC	Knee Rails in Manor Park	Refurbishment of Knee rails in Manor Park Glossop High Peak	One-off	Operational Services - Horticulture	Woods Ltd	1	13,358
HPBC	Legal Support requirement for Planning Hearing	Advocacy at Hogs yard planning hearing, Whaley Bridge High Peak	One-off	Legal & Election Services	Kings Chambers	1	11,250
HPBC	Viability Assessment	Viability assessment in relation to Buckingham Hotel	One-off	Regulatory Services - Planning & Building Control	Cushman and Wakfield (Via HCA Framework)	1	2,500
HPBC	Five Year Housing Land Supply update	The information is required to support the Council in forthcoming planning appeal work.	One-off	Regeneration	Urban Vision	1	2,316
HPBC	Communal Laundry Service - Payments (Coin meters)	Communal Laundry services payments	One-off	Customer Services Housing Tenancy	Goodman Sparks	1	300
HPBC	Servicing & Maintenance of Ground Source Heat Pump at Cromford Court	Servicing Ground Source Heat Pump at Cromford Court (included in main contract above)	Recurring	Assets Compliance	Liberty Gas Group	2	-

JOINT PROCUREMENT ACTIVITY

Auth	Contract name	Contract Description	Recurring or One-off contracts	Service Area	Contract Awarded To	Term YRS	TCV (inc exts)
Low Value (<£172,000)							
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	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
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