

 Finance And Audit Scrutiny Committee, 29th September 2015		Agenda Item No. 6
Title	Procurement Progress update	
For further information about this report please contact	Susan Simmonds – Procurement Manager	
Wards of the District directly affected	All	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number		
Background Papers		

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	Yes
Included within the Forward Plan? (If yes include reference number)	Yes/No
Equality & Sustainability Impact Assessment Undertaken	No (If No state why below)
No assessment as this is a progress report.	

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	17 September 2015	Andy Jones
Head of Service	17 September 2015	Mike Snow
CMT		
Section 151 Officer	17 September 2015	Mike Snow
Monitoring Officer	17 September 2015	Andy Jones
Finance	17 September 2015	Susan Simmonds
Portfolio Holder(s)	17 September 2015	Cllr Peter Whiting
Consultation & Community Engagement		
Insert details of any consultation undertaken or proposed to be undertaken with regard to this report.		
Final Decision?	Yes	
Suggested next steps (if not final decision please set out below)		

1. SUMMARY

- 1.1. This report serves to update progress on procurement during the financial year 2015/16.

2. RECOMMENDATION

- 2.1. It is recommended that the advances in procurement are noted.

3. REASONS FOR THE RECOMMENDATION

- 3.1. It was agreed at the July 2010 Executive as part of the Procurement Strategy that Members would receive an annual updates on the progress of procurement and the procurement strategy. This is one of the actions within the Procurement Action Plan. The Procurement Strategy and Action Plan are attached to this report.
- 3.2. Councillors Rhead, Barrott, Gifford, Heath and Quinney are currently the "Procurement Champions" following the recent election in May 2015. The role of the group is to discuss the progress on the procurement action plan and to "champion" the procurement work that is on-going. The group will continue to support the Procurement team in ensuring that service areas that have a responsibility for contract management and for managing the contract life cycle including costs and complete their service area plans to reflect the future contracts renewal programme in a timely manner. Contracts registers will continue to be issued to all Heads of Service to ensure all contract information held on the register is up to date and accurate. These registers are considered by Finance and Audit Scrutiny Committee in turn. The Procurement team and Procurement Champions are keen to ensure that spend activity via the Total system is accounted for either by a contract / agreement in place or with a valid reason for the spend, in line with the Code of Procurement Practice / Code of Financial Practice.

4. POLICY FRAMEWORK

- 4.1. **Policy Framework** – Procurement activity complies with the Codes of Procurement and Financial Practice. In all cases the corporate strategy is supported with particular emphasis on 'our values'.
- 4.2. **Fit for the Future** – Procurement activity is central to the delivery of the 'Fit for the Future' programme through the planning stages of the process. It also contributes to savings element of the 'Fit for the Future' programme as an outcome of the process.

5. BUDGETARY FRAMEWORK

- 5.1. The actions to date from the Procurement Action Plan have all been within budget and had a positive contribution to savings and efficiencies.

6. RISKS

- 6.1. Good procurement is part of good risk management. Contract management needs to be robust to ensure services are properly managed and risks are minimised.

6.2. Correct procurement should minimise the risk of challenge in the award of contracts. At all stages it is necessary that the relevant legislation and best practice is followed.

7. ALTERNATIVE OPTION(S) CONSIDERED

7.1. No alternatives options are for consideration as this is a progress report.

8. BACKGROUND

8.1. The Code of Procurement Practice 2015 continues to be utilised for procurement activity across the Council. The code now reflects changes in the Public Contract Regulation 2015, EU Directives 2015, Local Transparency Agenda 2014 and the Public Service (Social Value Act) 2012.

8.2. The table illustrates the position for the current year to date relative to previous years, of contracts awarded:

	2013/14	2014/15	2015/16 up to Sept 2015
Collaborative exercises		2	1
Full OJEU tender	2	2	1
Direct award*	3	2	5
Low value tender	11	12	7
3 Quotes	23	31	7
** Mini-competition using compliant framework	4	7	2
*** Exemptions	4	2	3
**** Non Award	2	0	0

* Direct award in accordance with the Public Contracts Regulations 2006, Regulation 14 exemption due to technical compatibility requirements.

** These are in addition to contracts let compliantly using frameworks let by other contracting authorities where there was no requirement for further competition but the Council still benefited from the aggregated value of the collaborative arrangement.

*** Reports submitted for approval to extend a current arrangement for a period of time to enable a procurement exercise to be streamlined when working as part of collaboration or due to a delay in renewal process.

**** Tendering exercises that was carried out but due to a particular circumstance did not proceed to award and exercise cancelled.

8.3 All opportunities over £10k are carried out using the CSW-JETS e-tendering portal to ensure fairness and transparency.

8.4 Procurement activity From April 2015 to Sept 2015

Awarded Contracts in Financial Year 2015/16 up to Sept 2015

Reference	Description	Service Areas	From	To	Value (£)	Supplier
CE23DA0615	Printing of Poll Cards	Chief Executives Office	One Off Project		£2000	ERS
CS45DA0515	Leisure Centre Investment Programme – Technical & Professional Services	Cultural Services	1/05/15	TBC	£202,000	MACE
DS33DA0615	Commercial Advice to WDC for Housing Development	Development Services	01/06/15	31/03/16	£10,000	DTZ Debenham Tie Leung Ltd
DS36DA0715	Valuations & General Services to WDC	Development Services	01/08/15	31/07/15	£10,000	Valuation Office Agency
DS27LV0615	Provision of Autumn and Yuletide Markets	Development Services	01/06/15	01/01/18	£12,000 (income)	EG Sketts Co.
DS32LV0615	External Funding Advisor	Development Services	19/06/15	18/12/15	£50,000	ATI Projects Ltd
HC14LV0415	HEAT Planning & Energy Master Planning Consultancy	Health & Community Protection	01/05/15	31/10/15	£42,410	AECOM Ltd
HC15LV0615	Voluntary Sector	Health & Community Protection	01/07/15	31/01/18	£30,000	Crown Routes
HC19LV0815	Public Health Funerals	Health & Community Protection	01/09/15	31/08/18	TBC	LM Funerals trading as Henry Isons Funeral Directors
HP99LV0415	Tenants, Leaseholder and Shared Owner Contents Insurance	Housing & Property OCSL Services	01/06/15	31/05/15	various	Thistle Insurance Services Ltd

Reference	Description	Service Areas	From	To	Value (£)	Supplier
HP100LV0515	Provision of Rural Housing Enabler Services	Housing & property Services	01/04/15	31/03/19	£38,806	Warwickshire Rural Community Council
CS47LV0615	Management of the Car Park facilities at the Bowls England Championships based at Victoria Park	Cultural Services	01/07/15	31/06/20	£117,763	CJ's Events Warwickshire Limited
CE21OJ0415	Data Centre Support	Chief Executive Office	01/05/15	30/04/17	£104,466	OCSL
HP101MC0715	Maintenance of Cremators and Associated Plant	Housing & Property Services	01/07/15	30/06/18	£293,853	ATI Environmental UK Ltd
NS31MC0415	Provision and installation of playground equipment at Eagle Rec, Leamington Spa	Neighbourhood Services	01/05/15	One off	£53,000	Wicksteed Leisure Limited
CE22TQ0615	ICT consultancy for system migration	Chief Executive Office	22/06/15	One off	£6,800	Phoenix Software Ltd
CE24TQ0815	DATA WAN Link from RH to St Nicholas Park	Chief Executive Office	01/10/15	30/09/18	£13,462.80	British Telecom
CE25TQ0915	Transcription Services	Chief Executive Office	01/19/15	31/08/17	£2,000	Virtuoso Assistant
CS46TQ0515	Luxury Ice Cream – Royal Spa Centre	Cultural Services	01/07/15	30/06/20	£34,490	First Service Frozen Foods Ltd
CS49TQ0815	Hot Drinks – for resale at Royal Spa Centre	Cultural Services	10/08/15	09/08/16	TBC	The Café Azzurro Coffee Company Ltd

NS32TQ0615	Provision and installation of playground equipment at Roxburgh Croft Park, Leamington Spa	Neighbourhood Services	15/06/15	One off	£17,000	Proludic
NS33TQ0815	Chairs for the North Chapel, Oakley Wood	Neighbourhood Services	11/08/15	One off	£10,779	Rosehill Furniture Group
HP102OJ0715	Asbestos Removal Services	Housing & Property Services	03/09/15	02/09/20	£2,000,000	Shield Environmental Services Limited
HP103OJ0715	Asbestos Surveying and Testing Services	Housing & Property Services	03/09/15	02/09/20	£1,000,000	Tersus Consultancy Limited
HC11LV0415	Air Quality Monitoring	Health & Community Protection	01/04/15	31/03/18	£5,432	We Care 4 Air
DS35MC0615	Asset Valuations	Development Services	10/07/15	10/07/21	£88,000	Carters Jonas
HC17LV0715	MOT's and Fleet Inspections of Hackney Carriages and Private Hire Vehicles	Housing & Property Services	01/07/15	30/06/18	Concession	Gas Guzzlers Garage
HC16LV0715	MOT's and Fleet Inspections of Hackney Carriages and Private Hire Vehicles	Housing & Property Services	01/07/15	30/06/18	Concession	Tyreman ltd

HC18LV0715	MOT's and Fleet Inspections of Hackney Carriages and Private Hire Vehicles	Housing & Property Services	01/07/15	30/06/18	Concession	H M Bryan & Sons
DS36DA0715	Valuation and General Services to WDC	Development Services	01/08/15	31/07/16	£10,000	Valuation Office

Live Tendering Opportunities

Description	Budgeted Total Contract Value	Procurement Process	Projected date for award	Service Area
WDC – Housing Adaptations	£3.9m	Open	January 2016	Housing & Property
WDC - Service & Maintenance (telecare associated) of Fire Alarm, Warden Call and Door Entry		Consortium Tender exercise via Fusion 21	April 2015	Housing & Property
WDC – Enforcement Officers (Bailiffs)	% of collection totals	Direct Award	October 2015	Finance

Planned Tender Exercises

Description	Budgeted Total Contract Value	Procurement Process	Projected date for award	Service Area
WDC - Pumping Station Maintenance	£100k	Tender	April 2016	Health & Community Protection
WDC – Electrical Maintenance	£TBC	OJEU _ open process	January 2016	Housing & Property
WDC – Maintenance and Upgrade of Housing Door Entry Systems, Security Doors, CCTV and Common Area Fire Detection Systems	£TBC	OJEU – open process	January 2016	Housing & Property

WDC - Leisure Centre Options Project	£TBC	OJEU - competitive procedure with negotiation	TBC	Cultural Services
WDC - Pantomime	£TBC	OJEU - competitive dialogue	September 2017	Cultural Services
WDC - Printing	£TBC	OJEU	September 2016	Chief Executive
WDC - Security for Riverside House	£12,500pa est	Tender or Framework Agreement	January 2016	Health & Community Protection
WDC - Engineering Works	£TBC	Tender	April 2016	Housing & Property Services
WDC - Gas Supply	£TBC	TBC	April 2016	Housing & Property Services
WDC - Electricity	£TBC	TBC	Sept 2016	Housing & Property Services

- 8.5 The Procurement Strategy and Action Plan for 2015 is attached.
- 8.6 Procurement Awareness Training has been delivered across the council to staff that have a budget responsibility and are involved in procurement decision. This training was supported by the Legal team from Warwickshire County Council to ensure a consistent message was delivered. Elected Member training has also been provided explaining the role of elected Members in the Procurement Process. All training has been positively received.
- 8.7 The Principles of Contract Management training is planned for 24th September 2015. Heads of Service have nominated team members for the training that, as part of their role, have responsibility for Contract Management
- 8.8 The implementation of Procurement Cards has been introduced and is fully operational across the Council. The claims for petty cash have now reduced. All Procurement Card transactions are published on a monthly basis in line with the guidelines set out in the Local Transparency agenda 2014.
- 8.9 The Procurement Manager remains heavily involved in a number of strategic tender projects that are due to be finalised and mobilised by April 2016.
- 8.10 Procurement Officer has now started bringing experience of working on a variety of contracts for Public Sector organisations. He has experience of the contract management tool in our e.tendering system that we plan to implement in the near future.
- 8.11 The new Procurement Officer is now involved in the renewal of the Electrical Maintenance contract, Minor Works Engineering Contract and CCTV, door Access contract. These contracts are due to go live April 2016.
- 8.12 As contracts come up for renewal we look to collaboration opportunities and framework arrangement accessible for WDC to utilise i.e. Crown Commercial Services, ESPO, Pro5, Fusion 21 and HCA
- 8.13 The Procurement team is still monitoring and approving new creditor requests. This has resulted in less new suppliers being added to the finance system and more sign posting to current contracts.
- 8.14 Any new suppliers that register on the e-tendering portal (CSW-JETS) need to identify their supplier category i.e. SME. This will help with future reporting on supplier types registered.
- 8.15 The Contracts Register has been reviewed with all Service Heads and budget holders to ensure all information held on the register is correct. Contract details now entered onto the register include live contracts, the contract values, and that the contract period dates are in line with the signed contract. Where a contract is due to expire, an explanation is entered and renewal programme agreed. The register will continue to be monitored and entries challenged where applicable. The register will form the basis for providing Procurement work plans in the future and budget management. It is the intention to migrate the contract register and on-going contract management onto the CSW-JETS system. This will encourage supplier engagement in the contract management process.

- 8.16 The Contracts Register will continue to be published on the internet quarterly in line with Local Transparency Code.
- 8.17 The current agreed Procurement Strategy and Action Plan is now live and attached for your perusal.