

 <b>Finance And Audit Scrutiny Committee</b>		<b>Agenda Item No.</b> <b>8</b>
<b>Title</b>	Procurement Progress update	
<b>For further information about this report please contact</b>	<a href="mailto:John.roberts@warwickdc.gov.uk">John.roberts@warwickdc.gov.uk</a> <a href="mailto:Mike.snow@warwickdc.gov.uk">Mike.snow@warwickdc.gov.uk</a>	
<b>Wards of the District directly affected</b>	All	
<b>Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?</b>	No	
<b>Date and meeting when issue was last considered and relevant minute number</b>		
<b>Background Papers</b>		

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

<b>Officer/Councillor Approval</b>		
<b>Officer Approval</b>	<b>Date</b>	<b>Name</b>
Chief Executive/Deputy Chief Executive	21/02/2017	Andy Jones
Head of Service	21/02/2017	Mike Snow
CMT	21/02/2017	
Section 151 Officer	21/02/2017	Mike Snow
Monitoring Officer	21/02/2017	Andy Jones
Finance	21/02/2017	John Roberts
Portfolio Holder(s)	21/02/2017	Cllr Peter Whiting
<b>Consultation &amp; Community Engagement</b>		
Senior Management Team Procurement Champions		
<b>Final Decision?</b>	Yes	
<b>Suggested next steps (if not final decision please set out below)</b>		

## **1. SUMMARY**

- 1.1. This report serves to update progress on Procurement during the financial year 2016/17.

## **2. RECOMMENDATION**

- 2.1 It is recommended that the progress across the procurement function over the past 12 months is noted.

## **3. REASONS FOR THE RECOMMENDATION**

- 3.1 The Procurement Team has been extremely busy over the past 12 months supporting the delivery of a large number of procurement exercises for goods, services and works. Alongside this work, the Team have continued in their more strategic objectives to promote and enhance the knowledge and understanding of good procurement across the Council. Appendix One shows 2016/2017 Action Plan achievements , Appendix Two shows the completed, current and planned procurement projects for 2016-2017 and Appendix Three shows the Summary of live contracts with a total value £5, 000 or above on the Contracts Register.
  - Over the course of the last 18 months, Procurement has been the focus of a number of new initiatives instigated by the European Union and UK Government. The underlying theme has been a push towards opening up public sector Procurement activity to potential tenderers, particularly small and medium enterprises (SMEs) by streamlining and simplifying processes and publishing more frequent and clearer details on existing and proposed contract spending.
  - New directives from the EU have been implemented through the Public Contract Regulations 2015. These regulations prescribe that all public sector contracts in excess of £25,000, which are advertised, must also be advertised in the UK on the Contracts Finder portal, or on an e-tendering system that interfaces with it.
  - The Local Government Transparency Code 2014 introduced a mandatory requirement on local authorities to maintain and publish a Contracts Register (for all contracts with a value in excess of £5,000) and a register of all procurement exercises (also with a value in excess of £5,000) The Council has been publishing its Contract Register on its website since 2014.
- 3.3 As well as these external factors, the Council is involved with capital expenditure, and therefore substantial contracts, through a number of multi-million pound projects: Leisure Centres, Creative Quarter, Europa Way. This level of activity has led to a significant increase in Procurement commitments.
- 3.4 The new OJEU "Competitive Procedure with Negotiation" procedure was used for the first time to deliver the Leisure Centres ( construction and managed service ) contracts and "Competitive Dialogue" procedure for the Creative Quarter contract.
- 3.5 The Council's Code of Procurement Practice was revised in April 2016 to bring it in line with the latest legislative requirements as well as to streamline and simplify processes.

- 3.6 A significant number of policies, templates, guidance notes and a Procurement Manual were published on the Council's intranet to help and support Managers and Staff.
- 3.6 The Procurement Team has had staff turnover during the year and incurred difficulties in recruiting appropriate staff. As a consequence the team has not always been adequately resourced to support all projects, especially the larger more specialist projects e.g. Leisure Options, for which specialist legal advice was needed to support that project.
- 3.7 Procurement in the public sector is a huge undertaking and in any organisation, especially one spending public money, should be seen as a critical success factor. Specifically as a consequence of the issues raised in paragraph 3.6, we will be commissioning consultants to carry out a review of the current model of procurement and its staffing resources from both a strategic and operational perspective. The purpose of this review is to consider Warwick District Council's approach to procurement and to ensure that value for money is being achieved. The review will consider the merits of different delivery options for the Council's procurement function. The over-riding objective of procurement must be to ensure that the council procures cost-effective, high quality services that are responsive to the needs of the local community.

### 3.7 Future Development for 2017/2018

- Although significant progress has been made, it is recognised that there is a need to continue to embed the procurement procedures across the authority and continue to improve performance in Procurement and contract management.
- The next stage is to be able to focus more on supplier engagement and the associated benefits that come with good, effective procurement and contract management.
- A revised Code of Procurement Practice and Procurement Strategy are being developed to be presented to members in April. These set out the principles in relation to contract and supplier management; they both need to be further developed and embedded across the authority.
- To foster supplier engagement, we will continue to engage with suppliers by providing seminars and workshops with the aim of enabling local companies to consider bidding for procurement opportunities and support the Council's commitment to the local economy.
- To create and publish a Forward Procurement Plan (FPP) for 2017. Much of the over-threshold spend has project teams created to manage the process, and are usually well managed; we need to improve the preparation and planning of the under threshold spend.
- Continue the provision of procurement training with the aim of improving the skills, capability and knowledge of all staff undertaking procurement to ensure we are legally compliant, and also to ensure we are achieving best value.
- Provide training and ad hoc surgeries with all Managers, Officers and Staff involved in the procurement process and launch, promote and embed the Procurement Strategy and Code of Procurement Practice.

- To develop procurement performance measurements in bi-annual and annual Procurement reports to include the following:
  - Total non-pay spend channelled through collaborative arrangements with other buying organisations
  - Percentage of suppliers located within Warwick District
  - Number of local suppliers actively registered on CSWJETS E Portal
  - Number of employees successfully completing in house training
  - Number of formal legal challenges received and upheld against the total number of tenders
  - No of expressions of interest for each Procurement exercise
  - No of Bids received each Procurement exercise
  - No of Bids received from SME's
  - No of Procurement exercise which included Social value questions
  - No of over £20k Exemptions to CoPP rules approved

#### **4. POLICY FRAMEWORK**

4.1 The Code of Procurement Practice is a fundamental element of the Council's policy framework and supports the ability of the Council to demonstrate that it is achieving value for money from its expenditure and that its contracts and services are being managed in an open and transparent manner, in line with the Council's Core Values.

#### 4.2 Fit for the Future

As part of the Council's policy framework, the Code of Procurement Practice underlines how the Council acts in securing and managing its procurement requirements which in respect of the Money Strand of the Fit for the Future Programme helps the Council to achieve best value for money within the limited financial resources available and also the Service Strand by enabling the Council to be clearer about the goods and services it wishes to deliver for the local community.

#### **5. BUDGETARY FRAMEWORK**

The Code of Procurement Practice complements the Code of Financial Practice in ensuring that financial best practice is applied to the procurement of goods, services or works. Compliance helps protect the Council by minimising procurement risks, whilst ensuring best value is obtained.

#### **6. RISKS**

6.1 There are risks in respect of the following:

- Contract register is not kept up to date
- Not all contracts having signed copies stored in DMC

- Potential failure by Contract owners to manage the procurement renewal process in a timely manner in line with Legislation
- Potential for modifications to existing contractual arrangements to be implemented which are not compliant with Procurement regulations
- Contracts with a value of £25,000 - under £50,000.00 not advertised or awarded on the Contracts Finder portal
- Inconsistent record keeping and decision logging, which can result in off contract spend
- Ensuring Procurement are is of strategic decision making about future business models

6.2 "Brexit" – The E U public Procurement Regulations 2015 have been embedded into English law and will remain valid until such time as they are repealed and replaced. This section of the Procurement report will be used to highlight any future risks that arise.

## **7. ALTERNATIVE OPTION(S) CONSIDERED**

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

## APPENDIX ONE

### PROCUREMENT ACTION PLAN 2016/17

Ref No.	Activity	Responsibility	Key Actions / Achievements 2016 / 2017
1	<b>MANAGEMENT</b>		
1.1	Produce bi-annual reports to Finance and Audit Scrutiny Committee on all Procurement activity undertaken in the preceding period and any efficiency identified.	Procurement Manager	<p>Ensure the Contracts Register is up to date. Keep records of all Procurement activity required for the report.</p> <p><b>CURRENT STATUS :</b> <i>A continuing activity - The objectives have been achieved and remain a continuing key action</i></p>
1.2	Work with service areas / end users to develop clear / robust quotation / tender documentation ensuring their specification is in line with business needs of the Council, where appropriate.	Procurement Manager / Procurement Officer / Service Area Representatives	<p>Promote project style Procurement exercises.</p> <p><b>CURRENT STATUS :</b> <i>A continuing activity - The objectives have been achieved .Further review now required. Will be included in action plan for 2017/18.</i></p> <p><i>Extensive support provided across all service areas.</i></p>

Ref No.	Activity	Responsibility	Key Actions / Achievements 2016 / 2017
1.3	Service plans and team operational plans to reflect planned tender activity.	Senior Managers	<p>Service Managers to review as part of Service Plan Procurement Process</p> <p><b>CURRENT STATUS:</b> <i>The objectives have been achieved .Further review now required. Will be included in action plans for 2017/18.</i></p> <p><i>Procurement actively reviews expenditure on an on-going basis.</i></p> <p><i>Continuing to actively engage with Service Areas.</i></p>
1.4	Encouraging local suppliers, SME's and the voluntary and the third sector to compete for Council contracts and ensure such opportunities are promoted locally.	Procurement Manager / Economic Development	<p>Identify opportunities for SME's within the Procurement Process.</p> <p>Promote the use of the e - tendering portal to potential suppliers either through clear links on the external web site and on other communication tools, where applicable.</p> <p><b>CURRENT STATUS :</b> <i>A continuing activity - included in the forthcoming revised Procurement and Contract Management Strategy &amp; Code of Procurement Practice.</i></p> <p><i>All tenders via Procurement are now being carried out via the E-Tendering Portal.</i></p> <p><i>Suppliers are continuously being considered to be on the e-marketplace where better value can be achieved and efficiencies achieved.</i></p>

Ref No.	Activity	Responsibility	Key Actions / Achievements 2016 / 2017
1.5	Ensure that there are no unintentional breaches in the EU Procurement threshold.	Procurement Manager/Heads of Service	<p>Contract Register Annual Review</p> <p>Evaluation of 2015/16 Spend Analysis carried out</p> <p>Contract management by end users.</p> <p><b>CURRENT STATUS:</b> <i>A continuing activity - included in the forthcoming revised Procurement and Contract Management Strategy &amp; Code of Procurement Practice</i></p>
1.6	Maintain contracts register	Heads of Service	<p>Updating as contracts awarded.</p> <p>Review of contracts register by Heads of Service</p> <p>Annual review of register of include details of annual spend.</p> <p><b>CURRENT STATUS:</b> <i>A continuing activity -- included in the forthcoming revised Procurement and Contract Management Strategy &amp; Code of Procurement Practice.</i></p> <p><i>Contracts register now very comprehensive and being used for work planning to support service areas.</i></p>



Ref No.	Activity	Responsibility	Key Actions / Achievements 2016 / 2017
1.7	Quarterly publication of Contracts Register	Procurement Officer	<p>Quarterly publication of register in line with the requirements of the Transparency Code</p> <p><b>CURRENT STATUS :</b> <i>A continuing activity – included in the forthcoming revised Procurement and Contract Management Strategy &amp; Code of Procurement Practice</i></p>
1.8	Carry out Procurement awareness training sessions to increase and maintain knowledge of Procurement regulations and the Council's policies	Procurement Manager	<p>Keep up to date with any changes in Procurement legislation.</p> <p>Carry out training in a timely manner to prevent the Council being in breach of any legislation changes.</p> <p>Work closely with the Legal team and other local Councils.</p> <p><b>CURRENT STATUS</b> <i>The objectives have been achieved .Further review now required. Will be included in action plan for 2017/18</i></p>
1.9	Lead on Procurement activity in line with the Code of Procurement Practice.	Procurement Manager / Procurement Officer	<p>Involvement in all tender Procurement process.</p> <p>To be monitored as part of contracts awarded.</p> <p>Utilise Procurement plans to agree support requirements</p> <p><b>CURRENT STATUS: :</b> <i>A Continuing activity –will be included in action plan for 2017/18</i></p>
2	<b>POLICIES</b>		

Ref No.	Activity	Responsibility	Key Actions / Achievements 2016 / 2017
2.1	Review and update Code of Procurement Practice.	Procurement Manager	<p>Incorporate changes to Procurement legislation and the Council's business requirements.</p> <p><b>CURRENT STATUS :</b> <i>Continuing activity – included in the revised procurement and Contract Management Strategy</i></p>
2.2	Review and update Procurement Strategy document and update actions for the forthcoming year.	Procurement Manager	<p>Incorporate changes to in Procurement legislation and the Council's business requirements.</p> <p>Progress to be reviewed as part of bi-annual reporting to F&amp;A.</p> <p><b>CURRENT STATUS :</b> <i>Continuing activity – included in the revised procurement and Contract Management Strategy</i></p>
3	<b>SUPPLIER MANAGEMENT</b>		
3.1	Undertake an annual audit of spend and number of transactions.	Procurement Manager / Exchequer Manager	<p>Undertake an annual Spend Analysis of suppliers.</p> <p>Production of monthly Service Plan Measures i.e. transaction numbers, where applicable.</p> <p><b>CURRENT STATUS :</b> <i>Continuing activity – Spend analysis complete. Being shared with Heads of Service</i></p>

Ref No.	Activity	Responsibility	Key Actions / Achievements 2016 / 2017
3.2	Reduce the number of tenders for each supply area through collaboration of tender opportunities.	Procurement Manager / Procurement Officer	<p>Consolidating services, using the Spend Analysis, Contracts Register and Procurement plan for future Procurement activity.</p> <p>Work with other local councils to identify collaboration</p> <p><b>CURRENT STATUS :</b> <i>Continuing activity – to be included in the revised 2017 - 2019 Procurement Strategy and annual action plan</i></p>
3.3	Ensure all suppliers are contracted formally (preferably on the Council's terms).	Procurement Manager / Service Area Managers	<p>Use of Contract Register and Spend Analysis.</p> <p>Ensure all signed contract agreements are filed and recorded with Document Management Store.</p> <p><b>CURRENT STATUS:</b> <i>Continuing activity – to be included in the forthcoming revised Procurement Strategy and annual action plan.</i></p> <p><i>Signed copies of agreements and contracts now being held centrally. Now a key part of the procurement exercise.</i></p>

Ref No.	Activity	Responsibility	Key Actions / Achievements 2016 / 2017
3.4	Work towards reducing the number of invoice transactions with current suppliers and new suppliers via the tender Procurement process.	Procurement Manager / Procurement Officer / Service Area Managers / officers	<p>As part of the contract renewal Procurement look at ways of reducing the number of invoices by consolidation of invoices.</p> <p>Make the invoicing Procurement part of the business requirements, where applicable.</p> <p>As part of the contract management Procurement work with suppliers on ways of reducing invoices submitted, where applicable.</p> <p>Work with the Exchequer team to see how we can ensure invoicing is in line with our system capabilities.</p> <p><b><i>CURRENT STATUS:</i></b> <i>Continuing activity – included in the revised procurement and Contract Management Strategy &amp; Code of Procurement Practice.</i></p> <p><i>Being achieved in larger value contracts by use of the 'Lot' method within tenders.</i></p>
3.5	Review of Procurement Card spending levels and activity.	Exchequer Manager/Procurement Manager	<p>Monthly publication of use of Procurement card on website.</p> <p>Annual Review of card usage.</p> <p>Review Spend Analysis low value items.</p> <p><b><i>CURRENT STATUS :</i></b> <i>Continuing activity –to be included in the revised 2017 - 2019 Procurement Strategy and annual action plan</i></p>

Ref No.	Activity	Responsibility	Key Actions / Achievements 2016 / 2017
4	<b>SUSTAINABILITY</b>		
4.1	Identify key Procurement activities and for each assess main sustainability issues to be addressed	Procurement Manager / Heads of services	<p>Ensure opportunities to the market cover any key sustainability areas and questions for consideration.</p> <p><b>CURRENT STATUS :</b> <i>Continuing activity – included in the forthcoming revised Procurement and Contract Management Strategy &amp; Code of Procurement Practice</i></p>
4.2	Identify and document appropriate Procurement criteria for key Procurement activities	Procurement Manager / Heads of services	<p>As part of the review of Procurement documentation work with the Sustainability and Climate Change Officer to ensure key standard questions are incorporated in documents.</p> <p><b>CURRENT STATUS:</b> <i>Continuing activity – included in the forthcoming revised Procurement and Contract Management Strategy &amp; Code of Procurement Practice.</i></p> <p><i>Our tender documents are being drafted to include social, economic and environmental benefits and consideration being taken into account as 'award' criteria. These criteria will be considered on a project by project basis.</i></p>

Ref No.	Activity	Responsibility	Key Actions / Achievements 2016 / 2017
4.3	For continuing contracts, set up Procurement process for reviewing sustainability requirements as existing contracts are due for renewal	Procurement Manager/Heads of Service	<p>Part of contract management. To be included within Procurement training.</p> <p><b>CURRENT STATUS:</b> <i>Continuing activity – included in the forthcoming revised Procurement and Contract Management Strategy &amp; Code of Procurement Practice.</i></p> <p><i>Procurement is reviewing the evaluation of sustainability throughout all procurements</i></p>
<b>5</b>	<b>COLLABORATIVE PROCUREMENT</b>		
5.1	As part of the pre tender Procurement process explore the use of buying consortia for the bulk purchase common goods and utilities, for example through ESPO, Fusion 21, Home & Communities Agency, PRO5 or Crown Commercial Services.	Procurement Manager /Property Services	<p>Details to be reported as part of bi-annual reports to members.</p> <p><b>CURRENT STATUS:</b> <i>Continuing activity – To be carried out when current contracts are due to expire or when proper contracts are not in place. Increased use of larger contracts let by other organisations with mini-competition.</i></p> <p><i>Included in the forthcoming revised Procurement and Contract Management Strategy &amp; Code of Procurement Practice.</i></p>
5.2	Investigate and where applicable enter into joint arrangements for Procurement of goods and services with other Local Authorities.	Procurement Manager	<p>Details to be reported as part of bi-annual reports to members.</p> <p><b>CURRENT STATUS :</b> <i>Continuing activity – to be included in the revised 2017 - 2019 Procurement Strategy and annual action plan</i></p>

Ref No.	Activity	Responsibility	Key Actions / Achievements 2016 / 2017
5.3	Utilise framework agreements as a preference to negotiating local agreements for high value contracts of general goods and services (e.g. IT hardware, telecoms, energy).	Procurement Manager / Heads of services	<p>Details to be reported as part of bi-annual reports to members.</p> <p><b>CURRENT STATUS:</b> <i>Continuing activity – to be included in the forthcoming revised Procurement Strategy and annual action plan.</i></p> <p><i>Opportunities for collaboration are limited at the present time but regular dialogue will hopefully increase future opportunities.</i></p>
5.4	Where possible ensure that the letting of contracts permits use by other Local Authorities within the WMRIEP area.	Procurement Manager / Procurement Officer	<p>Where applicable include a clause in the tender / Contract documentation that permits the use by other Local Authorities.</p> <p><b>CURRENT STATUS :</b> <i>Continuing activity – to be included in the revised 2017 - 2019 Procurement Strategy and annual action plan</i></p>
6	<b>E-COMMERCE</b>		
6.1	Ensure staff that are involved in Procurement are capable and trained in the use of the e-tendering software.	Procurement Manager / Financial Services Manager	<p>To seek to get officers to use CSW-JETS (Intend) for quotes up to £50k.</p> <p><b>CURRENT STATUS :</b> <i>Continuing activity –to be included in the revised 2017 - 2019 Procurement Strategy and annual action plan</i></p>

Ref No.	Activity	Responsibility	Key Actions / Achievements 2016 / 2017
6.2	Promote use of e-tendering software for Contract Management	Procurement Manager	Review use of Contract Register/Management tool in CSW-JETS.  <b>CURRENT STATUS :</b> <i>Continuing activity – to be included in the revised 2017 - 2019 Procurement Strategy and annual action plan</i>
6.3	Utilise Project Management tools to assist in Procurement Plans	Procurement Manager	Identify suitable software solutions.  Arrange training for Procurement team members  <b>CURRENT STATUS :</b> <i>Continuing activity – to be included in the revised 2017 - 2019 Procurement Strategy and annual action plan</i>
7	<b>PROSPERITY AGENDA</b>		
7.1	Provide Procurement support to prosperity agenda initiatives.		Support actions detailed in November 2014 Executive report.  <b>CURRENT STATUS :</b> <i>Continuing activity –to be included in the revised 2017 - 2019 Procurement Strategy and annual action plan</i>



Ref No.	Activity	Responsibility	Key Actions / Achievements 2016 / 2017
7.2	Consider how the Procurement function may directly contribute to the prosperity agenda.	Procurement Manager	<p>Consider the feasibility of including contract clauses to support the prosperity agenda in future tender opportunities, e.g. local employment, National Living Wage, apprentices</p> <p><b>CURRENT STATUS :</b> <i>Continuing activity – to be included in the revised 2017 - 2019 Procurement Strategy and annual action plan</i></p>
7.3	Support local businesses	Procurement Manager/Economic Development and Regeneration Manager	<p>Signed up to the Small Business Friendly Procurement Charter Committing to support small businesses.</p> <p><b>CURRENT STATUS:</b> <i>Continuing activity – included in the revised Procurement Strategy. Attending events with FSB &amp; Chamber of Commerce , promote portal and how suppliers can find public sector opportunities</i></p>
8	<b>CONTRACT MANAGEMENT</b>		
8.1	Active appropriate contract management	Heads of Service	<p>Ensure contract managers appropriately trained and understand requirements of their role.</p> <p><b>CURRENT STATUS :</b> <i>Continuing activity – to be included in the revised 2017 - 2019 Procurement Strategy and annual action plan</i></p>

Ref No.	Activity	Responsibility	Key Actions / Achievements 2016 / 2017
8.2	Arrange contract management training	Procurement Manager/HR/Heads of Service	<p>Generic training being arranged by Procurement / HR as part of "workshop". Service specific training to be arranged by appropriated Head of Service.</p> <p><b>CURRENT STATUS</b> <i>Continuing activity -to be included in the revised 2017 - 2019 Procurement Strategy and annual action plan</i></p>
<b>9</b>	<b>AWARENESS / TRAINING</b>		
9.1	Work with Members, Managers and Officers to increase education and awareness of regulations and the Council's Policies.	Procurement Manager / HR Training / Heads of Service	<p>Identify who needs training and level of training required</p> <p>Break the training down into specific workshops: Awareness, Practical, CSW-JETS</p> <p><b>CURRENT STATUS :</b> <i>Continuing activity - Training workshops provided to Managers and Officers in 2016 &amp; 2017. Follow up sessions to be programmed for 2017</i></p>
9.2	Disseminate the strategy to officers and members.	Procurement Manager	<p>Reports to Executive, Finance &amp; Audit Scrutiny Committee and SMT.</p> <p><b>CURRENT STATUS :</b> <i>A Continuing activity - to be included in the revised 2017 - 2019 Procurement Strategy and annual action plan</i></p>

Ref No.	Activity	Responsibility	Key Actions / Achievements 2016 / 2017
9.3	Arrange contract management training for all staff involved with contract management.	Procurement Manager / HR Training / Head of service /Service Area Managers	To be included in Workshop - "practical" training  <b>CURRENT STATUS :</b> <i>A Continuing activity – to be included in the revised 2017 - 2019 Procurement Strategy and annual action plan</i>
9.4	Provide support and training for senior staff involved in Procurement activities and members as required.	Procurement Manager /Procurement Officer / HR Training	Identify further training requirements and deliver on a 1:1 if required  <b>CURRENT STATUS :</b> <i>A Continuing activity – included in the revised procurement and Contract Management Strategy &amp; Code of Procurement Practice</i>
<b>10</b>	<b>INFORMATION &amp; WEBSITE</b>		
10.1	Maintain current Procurement information on the Council website.	Procurement Manager / Procurement Officer	Ensure information held on both the website and the intranet is current and kept up to date.  Review information frequently  <b>CURRENT STATUS:</b> <i>A Continuing activity – included in the forthcoming revised Procurement and Contract Management Strategy &amp; Code of Procurement Practice.</i>  <i>Procurement manual and associated documents and templates have been uploaded onto the Council's intranet .This will then be communicated to stakeholders and used as an on-going information tool.</i>

Ref No.	Activity	Responsibility	Key Actions / Achievements 2016 / 2017
10.2	Utilise the Council Website and other public sector opportunity outlets such as Contracts Finder to inform the market of the opportunities available and how to access them.	Procurement Manager / Procurement Officer	<p>Ensure Procurement opportunities are clearly marketed</p> <p>Refer where applicable suppliers who contact WDC to the CSW-JETS website to view opportunities and register if applicable.</p> <p><b><i>CURRENT STATUS :</i></b> <i>A Continuing activity – included in the forthcoming revised Procurement and Contract Management Strategy &amp; Code of Procurement Practice</i></p>
10.3	Maintain standard pro-forma documentation on the Council intranet.	Procurement Manager / Procurement Officer	<p>Review and amend documentation when applicable</p> <p><b><i>CURRENT STATUS:</i></b> <i>New ITT templates have been developed. Terms and Conditions have been updated.</i></p> <p><i>Guidance on the drafting of specifications has been developed as has guidance on the evaluation of tenders. These are being rolled out across the key spending departments.</i></p>
10.4	Utilise intranet to inform on Procurement Procedures and any changes in best practice guidance.	Procurement Manager	<p>Use intranet to inform as necessary any update in Procurement practices.</p> <p><b><i>CURRENT STATUS;</i></b> <i>Procurement manual and associated documents and templates have been uploaded onto the Council's intranet.</i></p>

## APPENDIX TWO

### Procurement activity From April 2016 to March 2017

#### Part One - Awarded Contracts in Financial Year 2016/17

Description	Service Areas	From	To	Budget	Projected Variance	Supplier	Comment
RSA Authentication Manager Maintenance Renewal	Chief Executive Office	01/07/2016	Rolling	£2,451.00	None	Softcat	No savings achieved. Budget matched to bids returned.
Provision of housing stock condition surveys to 5949 council properties	Housing & Property Services	30/05/2016	02/09/2016	£186,905	£6,334	Michael Dyson Associates	Savings were made due to 10% of tenants either refusing or not being available for internal surveys.
Print Services Framework	Chief Executive Office	01/01/2017	31/12/2020	£96,400	£9,985	1. Budbrooke Signs Ltd T/A Signs Express; 2. JAFRE Ltd T/A Interprint; 3. Harris Sign Group Ltd; 4. Pinstripe Holdings Ltd T/A Pnstripe Print; 5. Lichfield Printers Ltd; 6. John Baxter & Son Ltd; 7. Allwag Promotions Ltd; 8. LG Davis Ltd; 9. Graphic Arts (Coventry) Ltd; 10. Sundance Imaging Ltd T/A Printworks	The savings are a result of the lowest tendered sums for each Lot being lower than those on the previous print framework. We anticipate that the lower prices received for the new print framework will enable a proportional reduction in print spend from the overall print budget.

Description	Service Areas	From	To	Budget	Projected Variance	Supplier	Comment
						Coventry; 11. Deltor Communications Ltd; 12. MediaCo Ltd.	
Provision to design and build 3 play areas Wych Elm drive, Villiers street, Priory Pools	Neighbour hood Services	05/09/2016	24/02/2017	£100,000.00(One off contract)	None	Kompan Limited	No savings achieved. Budget matched to bids returned.
Staff Benefits Leisure & Retail Voluntary Discounts	Chief Executive Office	01/11/2016	30/10/2016	£5,019.30	None	P&MM Limited	Budget matched to rate per head as set in framework.
Pre-construction Services Agreement for Leisure Centre work.	Cultural Services	01/08/2016	17/11/2016	£36,000.00 (One off contract)	£3,388.00	Speller Metcalfe	The savings were achieved by selecting a contractor who offered the best cost against project brief
Antispam Appliance	Chief Executive Office	14/12/2016	13/12/2019	£7,356.00	None	Insight	No savings achieved. Budget matched to bids returned.
Colour MFD and finisher for printroom	Chief Executive Office	01/01/2017	31/12/2021	£114,922.80	None	Ricoh UK Ltd	Although no budget savings are anticipated against the lease and click budgets set for the colour printer and finisher, an estimated £72,500.00 saving over the course of the 5 year contract is anticipated against corporate print spend, £60,000.00 of which has already been cut from print budgets and £12,500.00 still to be cut.

Description	Service Areas	From	To	Budget	Projected Variance	Supplier	Comment
Disabled access lifts in leisure centres	Cultural Services	01/06/2016	31/12/2016	£2,400.00	None	ArjoLeighHunt	There are no savings achieved on this contract.
Maintenance support for RDC telephone system	Development Services	27/01/2016	26/01/2018	£850.00	£850.00		Reviewed and renewed, on a rolling arrangement, on an annual basis. Limited capacity to move suppliers.
Testing Tool	Chief Executive Office	02/02/2016	28/02/2017	£1900.00 + £250 per test (variable)	£2,150.00		Initially pilot but may be purchased long term if pilot successful
Maintenance and servicing of firefighting equipment	Housing & Property Services	08/07/2016	31/03/2017	£11,500.00	None	DRFS	There are no savings achieved on this contract.
Water Cooler maintenance	Health and Community Protection	01/04/2016	31/03/2018	£3,426.00	None	Horizon Drinks	No previous water cooler maintenance contract. Budget matched to price achieved through framework.
Contract for supplying stair lifts and assorted materials	Housing & Property Services	01/11/2016	31/03/2017	£50,000.00	None	Stannah Stair lifts	Procurement process undertaken to make the contract compliant. Budget matched to bid.
Supply of Design Work from RIBA stage 2 to 4 Concept Design, developed Design and Technical Design for St	Housing & Property Services	01/10/2016	13/07/2017	£5,545.00	None	Red kite Network Limited	No savings achieved. Budget matched to bids returned.

Description	Service Areas	From	To	Budget	Projected Variance	Supplier	Comment
Nicholas Park							
CCTV Door Entry Systems Contract Maintenance and Upgrade	Housing & Property Services	01/04/2016	31/03/2018	£188,400.00	£14,609.46	Baydale Control Systems	The savings achieved are directly correlated to the annual budget against the annual contract cost as per new contract over two years.
Provision of Housing Adaptations	Housing & Property Services	01/04/2016	31/03/2018	£797,181.00	£133,000.00	FSG	The savings were achieved on change of contract to FSG From Lovells. The budget contains some of the slippage work which had to be brought forward. Actual savings achieved is £133,000.00
Gas Supply Contract	Housing & Property Services	01/04/2016	31/03/2018	£210,600.00	£28,741.51	Gazprom Energy	The saving was achieved as a result of the tender sum coming under the cost of previous contract for the same sites covered in previous contract.
Minor Works Engineering Contract	Housing & Property Services	01/04/2016	31/03/2018	£900,000.00	£376,244.00	Allworks construction limited	The assumed savings in this report are based on a comparison of budget figure of £900,000.00 in comparison to tender sum of £523,754.00
The maintenance of pumping stations	Health and Community Protection	01/04/2016	31/03/2018	£30,000.00	None	SPE Limited	A pilot for a formal agreement with a recognised contractor. Budgets were set on a guestimate based on previous year's expenditure. The expenditure in 16/17 may surpass the year's estimated budget however the work undertaken this year for the first year has included preventative work such as servicing rather than just reactive response to issues as has been



Description	Service Areas	From	To	Budget	Projected Variance	Supplier	Comment
							the case previously.
The Maintenance & Repair of Electrical Appliances & Installation	Housing & Property Services	01/05/2016	30/04/2018	£601,400.00	None	Dodd's	There are no savings achieved on this contract.
Supply and Delivery of Bulk Liquefied Petroleum Gas	Housing & Property Services	01/05/2016	30/06/2018	£157,800.00	£94749.00	Calor Gas Limited	The contract budget for 2016/18 is £157,800.00 actual contact expenditure for 2016/2018 £63,051.28
Translation services	Neighbourhood Services	05/08/2016	24/08/2018	£2,000.00	None	The Big Word ( Pan Government Contract )	This is a call off contract, spend is on an ad hock basis. Budget matched to anticipate spend.
Memorial Safety Inspections and Maintenance	Neighbourhood Services	01/09/2016	31/08/2018	£57,600.00	None	Memsafe	There are no savings achieved on this contract.
Electricity	Housing & Property Services	01/10/2016	30/09/2018	£561,800.00	£186,646.00 increase	Southern Electric (trading name of Scottish & Southern Energy) (ESPO 191/b)	There is a deficit in the budget when compared to the tender Outcome. The 2 year fixed contract for 2016/2018 is £748,446.00 P.A when compared to Budget figure of £561,800 .00, P.A. The budget does represent the actual market cost considering that in 2015/16 the budget was £713,000.00 The increase is due to pressure on sterling against US\$ and Brexit markets reaction. Hence 9.3% increase in cost when compared to last year's prices.
Supply & delivery of Bulk	Housing & Property	01/10/2016	30/09/2018	£38,780.00	None	RIX Petroleum (Midlands) Ltd	There are no savings achieved on this contract.

Description	Service Areas	From	To	Budget	Projected Variance	Supplier	Comment
Kerosene Heating Oil	Services						
Security for Riverside House	Health and Community Protection	01/04/2016	31/03/2019	£35,979.20	None	Mitie Security Limited	The tender submitted matched the budget set for this project.
Waste Containers & Recycling Products	Neighbourhood Services	01/04/2016	31/03/2019	£125,000.00	None	Various Suppliers awarded 4 different Lots.	No savings achieved. Budget matched to bids returned.
Snow Licence Manager	Chief Executive Office	16/04/2016	15/04/2019	£13,004.94	None	Trustmarque Solutions	No savings achieved. Budget matched to bids returned.
Supply of Temporary Staff	Chief Executive Office	01/03/2017	29/02/2020	No HR corporate budget for Recruitment	No saving attributed to this contract, nevertheless savings will be calculated based on hourly rates charged by Comensura in comparison to cost of direct recruitment	Comensura	The savings will be achieved based on cost of recruitment , Expenditure for 2015/2016 was £302,473.00
Housing and Property Services Software MIS H Active	Housing & Property Services	01/04/2017	31/03/2020	£161,700.00	£9,094.41	MIS Active Management Systems	Savings achieved through negotiation. Also, an additional module was obtained at no extra purchase cost, subject to an annual maintenance charge.
Spend Analysis Contract	Finance	01/07/2016	31/08/2016	£4,987.50 (One off contract)	None	V4 Services	There are no savings achieved on this contract.

Description	Service Areas	From	To	Budget	Projected Variance	Supplier	Comment
Provision of Pantomime Production at Royal Spa Centre	Cultural Services	01/11/2016	03/01/2021	£280k-£600k depending on income levels	None	Imagine Theatre Limited	The bidder satisfied all of the quality elements which meant that there is greater potential for increases in income
Project Manager	Neighbourhood Services	09/02/2016	08/02/2021	£55,800.00 (One off contract)	None	Redkite Network Limited	No savings achieved. Budget matched to bids returned.
St Nicks Mini golf	Cultural Services	01/04/2016	01/03/2021	£7,500 .00per Annum	Revenue to the Council will be £10,500.00	Warwick Tearooms Ltd	As a result of tendering this contract it realised in increase in income by £3000
Licence to use Victoria Park Tennis Courts	Cultural Services	08/06/2016	07/06/2026	£20,000.00	None	VP Tennis	The new contract was designed as a result of an F an A audit which concluded that the payment arrangements were unsatisfactory. The new agreement resolves this issue and does make for a more efficient method for collecting monies and therefore saves officer time. In addition the new arrangement guarantee's a consistent level of income, whereas before there existed a profit share arrangement, which was not only unsatisfactory from an audit point of view but inconsistent as well.
Provision of Green Spaces Quality Audit	Neighbourhood Services	12/09/2016	11/09/2022	£17,400.00	None	Redkite Network Limited	No savings achieved. Budget matched to bids returned.
Lease hire Contract for 3 Petrol Caddy Vans	Housing & Property Services	01/10/2016	30/09/2022	£51,000.00	£10,060	Lex Autolease	The savings are as a result of better contract hire rates in comparison to the budget figure.

Description	Service Areas	From	To	Budget	Projected Variance	Supplier	Comment
Electronic Payment Services	Neighbourhood Services	01/07/2017	30/06/2019	£84,700.00		allpay.net	No savings achieved. Bids returned matched the budget.
Firmstep front facing software	Neighbourhood Services	19/09/2016	rolling	£7,000.00	None	Partnership	Pilot framework in partnership with other Council's. Budget set according to anticipated annual spend. No savings achieved.
Continual Maintenance of Pay on foot Equipment	Neighbourhood Services	01/11/2016	31/10/2018	£29,420.00	£860.00 increase	Parkare	No saving was achieved, a small increase of £860.00 to the overall contract value due to the age of the machines. It is proposed to renew this equipment in the next 18 months.
Cash Collection Contract Lot 1	Chief Executive Office	01/11/2016	31/10/2020	£42,744.00	None	Security Plus limited	No savings achieved. Budget matched to bids returned.
Cash Collection Contract Lot 2	Neighbourhood Services	01/11/2016	31/10/2020	£59,347.00	£1108.00 increase	Jade Security Services T/A Richard Talbot	No saving was achieved. A slight increase of £1108 .00 occurred as we have had to add in additional collections to mitigate the money being held in parking machines. This was a requirement of the most recent audit of car parks.
Lease hire Contract for supply of Electric vehicles	Health and Community Protection	01/07/2016	30/06/2018	£44,820.32	None	Auto leasing	No savings achieved. Budget matched to bids returned.
<b>Total Assumed Savings During the Period</b>					<b>£450,591.38</b>		

## Part Two - Live Tendering Opportunities

Description	Budgeted Total Contract Value	Procurement Process Route	Projected date for award	Service Area
Leisure Centre Management	£1,000,000	OJEU restricted	March 2017	Cultural services
Main Contractor repair and refurbishment of the Pump Room Gardens Restoration Project	£800,000	Below OJEU threshold tender	April 2017	Cultural services
Repair and refurbishment of the cast iron bandstand at: The Pump Room Gardens, Leamington Spa	£80,000	Restricted tender	01/04/17	Cultural services
Provision of Cabins for use as polling stations	£20,000	Below OJEU threshold tender	24/02/17	Chief Executive Office
Regeneration Partner for Creative Quarter, Royal Leamington Spa	£30,000,000	OJEU Open Execution work	01/03/17	Chief Executive Office
Stray Dog Kennelling Services in Warwick District	£25,000	Below OJEU threshold tender	13/03/17	Health and Community Protection
Warwick District Car Parks Assessment and Report	TBA	Open tender	TBA	Neighbourhood Services
Annual Servicing, Repairs and Maintenance and upgrades of housing communal laundry facilities at various sheltered schemes and accommodation	£24,000	Below OJEU threshold tender	20/03/17	Housing & Property Services
Provision of Structural Engineers	£25,000	Open tender	17/02/17	Development Services
Construct and install a new footpath surface with decorative finish at St Nicholas Park	£180,000	Below OJEU threshold tender	20/03/17	Cultural services
Car Park Works to Covent Garden Car Park & St Peters Car Park	£200,000	Below OJEU threshold tender	31/03/17	Neighbourhood Services
Delivery and Collection of Polling Screen	£30,000	Below OJEU threshold tender	01/04/17	Chief Executive Office
Mobile phones and devices	TBC	Direct Award	Feb 2017	Housing & Property Services
Design of Heat Metering Schemes	£80,000	Open tender	March 2017	Housing & Property Services
Procurement Consultancy	TBA	Below OJEU threshold tender	24/03/17	Finance
Rate Payment & Revaluation Consultancy	TBA	Below OJEU threshold tender	31/03/17	Housing & Property Services

### Part three - Planned Tender Exercises

Description	Procurement Process Route	Projected date for award	Service Area
Supply of Ballot Papers , Postal Voting Packs & Poll Cards for Elections	Open Tender	Documents currently being drafted prior to uploading onto E Portal	Chief Executive Office
Biomass Wood Fuel	Framework Mini Comp	Documents currently being drafted prior to uploading onto E Portal	Housing & Property Services
Multi-functional Devices Replacement All of the MFD's within Council owned premises	Framework Mini Comp	May 2017	Chief Executive Office
Security Services Framework: A range of security services/general security; event management (social & formal); securing sights; parking management & control; crowd management. All of these including collecting money	Framework Mini Comp	TBA	Development Services
Bowls Car Park Management: Management of the Car Park facilities at the Bowls England Championships based at Victoria Park	TBC	TBA	Development Services
The Maintenance of Cremators and Associated Plant at Oakley Wood Crematorium	Open Tender	Documents currently being drafted prior to uploading onto E Portal	Housing & Property Services
Parking machine maintenance	TBC	TBA	Neighbourhood Services
Valuations & General Service	Open Tender	Documents currently being drafted prior to uploading onto E Portal	Housing & Property Services
Framework for various catering services	Open Tender	Dec 2017	Cultural Services
Beer Wines and Spirits including servicing of associated equipment	Framework Mini Comp	June 2016	Cultural Services

## APPENDIX THREE

### Summary of Contracts Register for live contracts with a total value £5, 000 or above

<b>Service Area</b>	<b>Number of Contracts : £5k - £24,999.99</b>	<b>Number of Contracts : £25k - £49,999.99</b>	<b>Number of Contracts : £50k or above</b>	<b>Total Number of Contracts lodged in DMC (Deed Store) or electronically</b>	<b>Total Number of Contracts</b>
Chief Executive	11	6	16	24	33
Cultural Services	8	4	4	15	16
Development Services	5	5	7	12	17
Finance	5	2	5	10	12
Health and Community Protection	3	3	10	14	16
Housing and Property Services	8	4	38	39	50
Neighbourhood Services	8	5	21	26	34