

Title	Procurement Progress update
For further information about this report please contact	Susan Simmonds – Procurement Manager 01926 456201
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Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?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?	No
Included within the Forward Plan? (If yes include reference number)	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	7/7/14	Chris Elliott
Head of Service	7/7/14	Mike Snow
CMT		
Section 151 Officer	7/7/14	Mike Snow
Monitoring Officer		
Finance	7/7/14	Mike Snow
Portfolio Holder(s)	7/7/14	Stephen Cross
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 over the first part of the financial year 2014/15.

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 update on the progress of procurement and the procurement strategy.
- 3.2. Councillors Rhead, Syson and Knight are currently the "Procurement Champions". This has involved having meetings with officers to discuss the progress on the procurement actions plan and to "champion" the procurement work that is on-going. More recently this has entailed supporting the Procurement team in ensuring that service areas that have a responsibility for contract management, manage the contract life cycle including costs and ensure that they programme the renewal of a contract in a timely manner.

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 had a positive contribution to savings and efficiencies.

6. RISKS

- 6.1. By complying with the relevant legislation and regulations, whilst following best practices for procurement, the Council is reducing the risk of challenge by third parties over its contract spend and the award of contract. Any such challenge could incur the Council is substantial additional cost whilst potentially leading to delays in contracts being able to commence.
- 6.2. Procurement is also about ensuring that the Council obtains best value, whilst having procedures that are open and transparent.

7. ALTERNATIVE OPTION(S) CONSIDERED

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

8. BACKGROUND

- 8.1. The 2013 revision of the Code of Procurement Practice is continuing to set a robust foundation for good procurement across the Council. This policy is currently being updated to reflect changes in the EU Directives that come into force 17th April 2014.
- 8.2 The table illustrates the position for the current year to date relative to previous years, of contracts awarded:

	2012/13	2013/14	2014/2015 as at June 2014
Full OJEU tender	8	2	
Direct award*	2	3	1
Low value tender	15	11	3
3 Quotes	19	23	8
** Mini-competition using compliant framework	7	4	
*** Exemptions		4	2
**** Non Award		2	2

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

** These are an 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 tenders and mini-competitions are now carried out using the CSW-JETS e-tendering portal to ensure fairness and transparency.
- 8.4 Details of all recent procurement activity can be found in Appendix A to this report.
- 8.5 As part of the review of the Works contract WDC are now using the clause that allows the Council to obtain quotations for project works with a budgeted value of over £20k. This will be carried out as a mini-competition to all the Framework Suppliers. Implementing this clause should enable the Council to make savings against the framework prices already provided
- 8.6 The Procurement Strategy is currently under review with the final copy due to the Executive in December. This review also includes the Code of Procurement Practice, Procurement Action Plan and all other working documents. The review will ensure that the documents reflect the changes to EU Regulations

- 8.7 We are in conversation with the Legal Team at WCC for in-house training on Contract Management. The 'bite size' training covers all the key aspects of contract management and what we need to be aware of when managing elements of the contract and suppliers. Each session lasts 2 hours.
- 8.8 The implementation of the Procurement Card is now complete and fully operational across the council. The claims for petty cash have now reduced. The transactional administration and overall management of the cards will move to the FSTeam in October. All Procurement Card transactions will be published on a quarterly basis in line with the guidelines set out in the Transparency agenda.
- 8.9 The Procurement Manager remains heavily involved in a project for the a Lead Consultant and Project Manager for the Pump Room Gardens 'Heritage Lottery Funded' Project – Parks for People'. We are currently back out to the market with revised proposals after receiving no responses to the initial tendering exercises. Following feedback from companies who initially expressed an interest we have extended the tendering timetable.
- 8.10 The Procurement Officer is involved in the renewal process for Asbestos Services. An external resource was used to help with the evaluation of pre qualifications questionnaires.
- 8.11 As contracts come up for renewal we look to collaboration opportunities and framework arrangement accessible for WDC to utilise.ie Crown Commercial Services, ESPO
- 8.12 Procurement are still monitoring and approving new creditor requests. This has resulted in less new suppliers being added to the Financial Management System and more sign posting to current contracts.
- 8.13 As part of an upgrade to the e-tendering portal (CSW-JETS) any suppliers that register need to identify their supplier category ie SME. This will help with future reporting tools on supplier types registered.
- 8.14 The Contracts Register has been reviewed and meetings are still taking place with all section heads and budget holders to ensure all information held on the register is correct. All contracts entered onto the register should be live, with the correct values being included, and the contract period dates are in line with the signed contract. Where a contract has expired 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.
- 8.15 The Contracts Register will continue to be published on the internet quarterly.
- 8.16 The Procurement Strategy and Action Plan are currently being updated along with the Code of Procurement Practice to be presented to members later in the year. This documentation is being to reflect all the changes in the relevant EU Directives that have recently come into force (Appendix B – Brief Guide to the New EU Public Contracts Directive (2014)).

8.17 March Executive received a report on procurement and related activities within Housing and Property Services. Coming out of this report there is a detailed action plan, considering actions required within that service and across the whole of the Council. Work is on-going on progressing these actions. An interim report is due to be presented to Executive in November.

Procurement activity up to June 2014:

Awarded Contracts in Financial Year 2014/15

Reference	Description	Service Areas	From	To	Value (£)	Supplier
CT01TQ0614	VAT Options Appraisal Kenilworth PC	Corporate & Community Service	One Off Project		£7,500	Grant Thornton
CC05TQ0614	Website Usability testing and expert review	Corporate & Community Service	One Off Project for 3 months		£10,335	Nomensa
CC06TQ0614	Sophos Complete Security Suite Support Renewal	Corporate & Community Service	29/08/2014	28/08/17	£29,757 for three years	Foursys
CS36TQ0614	Insurance Valuations of Collection Leamington Museum	Cultural Services	1/04/14	30/06/14	£2,450	Tim Riche & Associates
CS37TQ0614	National Bowls Championship – Review Survey	Cultural Services	01/06/14	30/09/14	£5,550	The Research Solution
CS38TQ0614	Car Park Management – Bowls National 2014	Cultural Services	01/08/14	01/09/14	£22,540.60	CJs Events
HP80TQ0614	Kenilworth PC Right to Light	Housing & Property	One Off Project		£2,750	TFT Consultants
NS19TQ0614	Supply of Ditch Matting for Bowling Green	Neighbourhood Services	One Off Project		£9,082	Dale Sports
	Town Hall PA System	Corporate & Community / Cultural Services	One Off Project		£37,000	Mustard Presentations
FI12LV0414	Insurance Broker Service	Finance	01/04/14	31/03/20	£2,800 pa	Gallagher Health
HP77LV0314	Design, Supply and Install Biomass Boiler at Tannery Court	Housing & Property	01/03/14	28/02/15	£148,012	Treco Limited
CS39MC0714	Vending Services	Cultural Services	01/08/14	31/07/19	£13,500pa	LTT

Live Tendering Opportunities

Description	Budgeted Total Contract Value	Procurement Process	Projected date for award	Service Area
WDC - Asbestos Services	£4.5m	OJEU	TBC	Housing & Property
WDC - Banking Service	£300k	OJEU	Oct 2014	Finance
WDC - Christmas Illuminations - Kenilworth		Tender	Oct 2014	
WDC - Feasibility Study - Whitnash	£20k	Three Quotes	Oct 2014	Corporate & Community
WDC - Lead Consultant / Project Manager for Pump Room Gardens HLF Project	£75k	Tender	Oct 2014	Neighbourhood Services
WDC - Victoria Bowls Irrigation Project	£140k	Tender	Oct 2014	Neighbourhood Services
WDC - Telephone Advice & Guidance	£25k	Tender	Sept / Oct 2014	Corporate & Community

Planned Tender Exercises

Description	Procurement Process	Projected date for award	Service Area
Provision of Treasury management Consultancy Services/ Investment Benchmarking Club/ Provision of HRA Self-financing Debt advice	Tender	Jan 2015	Finance
Pumping Station Maintenance	Tender	April 2015	Housing & Property
Service & Maintenance (telecare associated) of Fire Alarm, Warden Call and Door Entry	Tender	April 2015	Housing & Property
Commercial Property Valuations	Tender	April 2015	Development Services
Commercial property advice	Tender	April 2015	Development Services
General Markets contract	Light Touch Tender process	Feb 2015	Development Services
Mop licence renewal	Light Touch Tender process	Dec 2014	Development Service / Corporate & Community
Voluntary Services	Tender	April 2015	Corporate & Community
Cash Collections	Tender	March 2015	Finance
Incinerator Maintenance	EU Tender	ASAP	Housing & Property

Not Awarded

Description	Procurement Process	Service Area	Reason
WDC – Partnering Advisor Consultancy Service	Tender	Housing & Property	After careful consideration it was agreed that there was no longer a need for this service from an external resource.
WDC – Telephone Advice & Guidance	Tender	Corporate & Community	3 submissions received but unable to evaluate and over budget. Going back to market with a revised specification and pricing schedule

On-Going Projects

Description	Owner
Policies and Procurement Documentation revisions	Procurement Manager
Procurement Training – Tenders, contract Management	Procurement Manager/HR
Intranet Update	Procurement Officer
Internet Update	Procurement Officer

