

<b>Title</b>	Procurement Progress update	
<b>For further information about this report please contact</b>	John Roberts-Procurement Manager	
<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Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?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	26 February 2016	Andy Jones
Head of Service	26 February 2016	Mike Snow
CMT		
Section 151 Officer	26 February 2016	Mike Snow
Monitoring Officer	26 February 2016	Andy Jones
Finance	26 February 2016	John Roberts
Portfolio Holder(s)	26 February 2016	Cllr Peter Whiting
<b>Consultation &amp; Community Engagement</b>		
Insert details of any consultation undertaken or proposed to be undertaken with regard to this report.		
<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 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:

	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16 up to Sept 2015</b>
Collaborative exercises		1	3
Full OJEU tender	2	2	7
Direct award*	3	2	5
Low value tender	11	12	16
3 Quotes	23	31	14
** Mini-competition using compliant framework	4	7	11
*** 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 February 2016

Awarded Contracts in Financial Year 2015/16 up to February 2016

**Key Table: Explaining Contracts let in 2015/2016 (Refer to Table 1 above)**

<b>Key Colour Code</b>	<b>Threshold Value in £</b>	<b>Number of contracts Let</b>
<b>A</b>	£0 < £4,999	<b>10</b>
<b>B</b>	£5,000 < 9,999	<b>8</b>
<b>C</b>	£10,000 < 49,999	<b>17</b>
<b>D</b>	£50,000 > EU	<b>8</b>
<b>E</b>	> Above OJEU	<b>7</b>

**Table: 1**

<b>Colour Code</b>	<b>Reference</b>	<b>Description</b>	<b>Service Areas</b>	<b>From</b>	<b>To</b>	<b>Value (£)</b>	<b>Supplier</b>
<b>A</b>	CE23DA0615	Printing of Poll Cards	Chief Executives Office	One Off Project		£2,000	ERS
<b>E</b>	CS45DA0515	Leisure Centre Investment Programme – Technical & Professional Services	Cultural Services	1/05/15	TBC	£202,000	MACE
<b>C</b>	DS33DA0615	Commercial Advice to WDC for Housing Development	Development Services	01/06/15	31/03/16	£10,000	DTZ Debenham Tie Leung Ltd
<b>C</b>	DS36DA0715	Valuations & General Services to WDC	Development Services	01/08/15	31/07/15	£10,000	Valuation Office Agency
<b>C</b>	DS27LV0615	Provision of Autumn and Yuletide Markets	Development Services	01/06/15	01/01/18	£12,000 (income)	EG Sketts Co.
<b>D</b>	DS32LV0615	External Funding Advisor	Development Services	19/06/15	18/12/15	£50,000	ATI Projects Ltd
<b>C</b>	HC14LV0415	HEAT Planning & Energy Master Planning Consultancy	Health & Community Protection	01/05/15	31/10/15	£42,410	AECOM Ltd
<b>C</b>	HC15LV0615	Voluntary Sector	Health & Community Protection	01/07/15	31/01/18	£30,000	Crown Routes
<b>A</b>	HC19LV0815	Public Health Funerals	Health & Community Protection	01/09/15	31/08/18	£450 per cremation	LM Funerals trading as Henry Isons Funeral Directors
<b>D</b>	HP99LV0415	Tenants, Leaseholder and Shared Owner Contents Insurance	Housing & Property OCSL Services	01/06/15	31/05/18	Cost is variable per month Estimated	Thistle Insurance Services Ltd

Colour Code	Reference	Description	Service Areas	From	To	Value (£)	Supplier
						cost is £120,000 over 3 years	
<b>C</b>	HP100LV0515	Provision of Rural Housing Enabler Services	Housing & property Services	01/04/15	31/03/19	£38,806	Warwickshire Rural Community Council
<b>D</b>	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
<b>D</b>	CE21OJ0415	Data Centre Support	Chief Executive Office	01/05/15	30/04/17	£104,466	OCSL
<b>E</b>	HP101MC0715	Maintenance of Cremators and Associated Plant	Housing & Property Services	01/07/15	30/06/18	£293,853	ATI Environmental UK Ltd
<b>D</b>	NS31MC0415	Provision and installation of playground equipment at Eagle Rec, Leamington Spa	Neighbourhood Services	01/05/15	One off	£53,000	Wicksteed Leisure Limited
<b>B</b>	CE22TQ0615	ICT consultancy for system migration	Chief Executive Office	22/06/15	One off	£6,800	Phoenix Software Ltd
<b>C</b>	CE24TQ0815	DATA WAN Link from RH to St Nicholas Park	Chief Executive Office	01/10/15	30/09/18	£13,462.80	British Telecom
<b>A</b>	CE25TQ0915	Transcription Services	Chief Executive Office	01/19/15	31/08/17	£2,000	Virtuoso Assistant
<b>C</b>	CS46TQ0515	Luxury Ice Cream – Royal Spa Centre	Cultural Services	01/07/15	30/06/20	£34,490	First Service Frozen Foods Ltd
<b>C</b>	CS49TQ0815	Hot Drinks – for resale	Cultural	10/08/15	09/08/16	£12 000 over	The Café

Colour Code	Reference	Description	Service Areas	From	To	Value (£)	Supplier
		at Royal Spa Centre	Services			three years. This contract is for 1 year with possible further 4 X 1 yearly extensions, Renewal is subject to performance during the initial term. Based on Estimated £3000 spend per annum	Azzurro Coffee Company Ltd

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



		Carriages and Private Hire Vehicles					
<b>A</b>	HC16LV0715	MOT's and Fleet Inspections of Hackney Carriages and Private Hire Vehicles	Housing & Property Services	01/07/15	30/06/18	Facilitation Contract	Tyreman ltd

<b>A</b>	HC18LV0715	MOT's and Fleet Inspections of Hackney Carriages and Private Hire Vehicles	Housing & Property Services	01/07/15	30/06/18	Facilitation Contract	H M Bryan & Sons
<b>C</b>	DS36DA0715	Valuation and General Services to WDC	Development Services	01/08/15	31/07/16	£10,000	Valuation Office
<b>C</b>	HC23LV0216	Electric Vehicles Charging Infrastructure	Health and Community Protection	29/02/2016	23/03/2016	£11731.25	Franklin EV Ltd
<b>A</b>	HP103LV1215	Provision of structural surveys, options appraisal and schedule of works	Housing and Property	11/11/2016	04/12/2016	£4000	Odgers Conservation Consultants Ltd
<b>E</b>	HP102OJ1215	Provision of Gas Supply Contract	Housing & Property	01/04/2016	31/03/2018	£392458.50	Gazprom
<b>C</b>	HC22LV1215	Security for Riverside House	Health & Community Protection	01/04/2016	31/03/2019	£35979.20	Mitie Security LTD
<b>E</b>	HP101OJ1215	Housing Adaptations	Housing & Property	01/04/2016	21/03/2018	£510176.56	FSG Property services
<b>C</b>	CS53LV1215	Mini Golf St Nicholas Park	Culture Services	01/04/2016	01/03/2021	£10600	Warwick Tea Rooms
<b>A</b>	HC21TQ1215	The guide dogs for the	Health & Community	11/12/2015	01/06/2017	£40 per delegate	The Guide Dogs for the Blind Association

		blind association taxi drivers awareness training	Protection				
<b>B</b>	DS38TQ1115	Consultancy on Heritage & Settings Assessment	Development Services	16/11/2015	04/12/2015 Contract is now completed	£6905	Amec Foster Wheeler Environmental & Infrastructure UK Ltd
<b>C</b>	CE28DA1215	SIP Telephony	Chief Executive	01/12/2015	30/11/2018	£28356	Daisy Public Sector
<b>A</b>	DS37TQ1115	Commercial Advise for Lillington Project	Development Services	11/11/2015	31/05/2016	£4500	GVA Ltd
<b>B</b>	CE26TQ1015	Net Support Service Desk System	Chief Executive	01/10/2015	30/09/2018	£5274	Grey Matter
<b>B</b>	CS52TQ1015	12 month hire& delivery of Avonlite Art 2000 dimmer rack	Culture Services	23/10/2015	26/10/2016	£5987	Agility Events
<b>A</b>	CS51TQ1015	Profiling of Royal Spa Centre Box office	Culture Services	01/10/2015	30/09/2019	£4450	The Audience Agency
<b>D</b>	HP100CF1015	Warden Call, Access, FFE and FDE Equipment	Housing Property	01/10/2015	30/09/2017	£164,664	SCCI Alphatrack
<b>B</b>	CE29TQ0216	100 Mbps Fibre link to Spa Centre	Chief Executive	01/01/2016	31/12/2019	£9990	BT

<b>B</b>	CS50DA0815	Beer Wines and spirits including servicing of associated equipment	Culture Services	26/08/2015	25/08/2016	£7000	Carlsberg
<b>B</b>	DS37TQ1115	Landscape Assessment Process for Warwick Local plan	Development services	11/11/2015	04/12/2015	£8640	Richard Morrish Associates Ltd
<b>C</b>	FI32DA1015	Enforcement officer Services	Finance	01/10/2015	30/09/2017	Commission based Contract	Bristow Suitor
<b>D</b>	NS35LV0216	Victoria Park Skate Facility	Neighbourhood Services	01/04/2016	31/10/2016	£109,873.35	Canvas Spaces Ltd
<b>D</b>	NS36LV0216	Pump Room Gardens Restoration Project Manager	Neighbourhood Services	09/02/2016	31/01/2021	£55,800	kite
<b>E</b>	HP105OJ0116	Door Entry Systems contract Maintenance & Upgrade	Housing Property	01/04/2016	31/03/2018	£362,190.54 Contract value based on £181 095.27 per annum X 2 Years initial term	Baydale

**Table: 2 Live Tendered Opportunities (Not Awarded)**

<b>Key Colour Code</b>	<b>Description</b>	<b>Budgeted Total Contract Value</b>	<b>Procurement Process</b>	<b>Projected date for award</b>	<b>Service Area</b>
<b>E</b>	Electrical Maintenance & Repairs	£1,000,000	Tendered	01/03/2016	Housing and Property
<b>E</b>	St Nicholas and Newbold Comyn Leisure Centre Development	£9,000,000	OJEU Competitive Procedure With Negotiation on Design Risk Only	29/07/2016	Culture Services
<b>E</b>	Waste Containers Recycling products Contract	£650, 000	Mini Competition ESPO framework	28/03/2016	Neighbourhood services
<b>D</b>	Pumping Station maintenance Contract	£100,000	Open Published Tender	26/02/2016	Health & Community Protection
<b>D</b>	Repair of Brick Boundary Wall	£70,000	Open Published Tender	02/05/2016	Housing Property

**Table: 3 Planned Tender Exercises (In the Pipeline @ Specification Scoping Stage)**

<b>Key Colour Scheme</b>	<b>Description</b>	<b>Budgeted Total Contract Value</b>	<b>Procurement Process</b>	<b>Projected date for award</b>	<b>Service Area</b>
<b>E</b>	Cash Collection	£400,000	OJEU Open	August 2016	Neighbourhood Services
<b>E</b>	All Payment Processing Re-let	£350, 000	OJEU _ open	August	Neighbourhood Services
<b>E</b>	Pantomime	£1,000,000	Competitive Dialogue	01/10/2016	Culture Services
<b>E</b>	Electricity supply Contract	£700, 000	Mini Comp Framework	01/06/2016	Housing Property
<b>C</b>	Kerosene supply	£30,000 Contract value over 3 years	Open Tender	01/04/2016	Housing Property
<b>C</b>	LPG Supply	£105,000 Contract value over 3 years	Open Tender	01/04/2016	Housing Property
<b>C</b>	Emergency Accommodation	£80,000	Open tender	01/06/2016	Housing Property
<b>E</b>	Memorial Monuments Safety Contract	£170,000 Over the life of the Contract (4Years)	OJEU	01/06/2016	Housing Property

Key Colour Scheme	Description	Budgeted Total Contract Value	Procurement Process	Projected date for award	Service Area
<b>E</b>	Leisure Management Contract	Potential Income derived is projected @ £600,000 by (Year 4) or Potential contribution by the Council of £140,000 per annum	OJEU Open	01/07/2016	Culture Services
<b>D</b>	Stationery	£90,000 for previous years	Collaborative Framework	01/07/2016	Corporate Contract DMC
<b>C</b>	Washrooms	£20,000	Open Tender	01/06/2016	Health & Community
<b>A</b>	Water Coolers	£2,000 per annum	Mini Competition	01/06/2016	Health & Community
<b>E</b>	Elections Printing	£174,000	Open Tender	01/06/2016	Chief Executives
<b>D</b>	Estates professional Services	£60,000 per annum	Open Tender	01/06/2016	Development Services
<b>B</b>	Town Centre Banner erecting & other Events (Kenilworth & Royal Leamington)	£10,000	Open Tender	01/06/2016	Development Services
<b>D</b>	Pay on Foot maintenance Contract	£160, 000	Open	01/06/2016	Neighbourhood Services
<b>C</b>	Electric Vehicles Leasing Contract	£38308	Framework Mini competition	01/03/2016	Health & Community

Key Colour Scheme	Description	Budgeted Total Contract Value	Procurement Process	Projected date for award	Service Area
A	Big Word Translation Services	£1000 Per Annum	Open tender	01/06/2016	Neighbourhood Services



- 8.5 The Procurement Strategy and Action Plan for 2016 are 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. Further sessions are scheduled.
- 8.7 Advanced Procurement training is planned for 2016.
- 8.8 Further principles of Contract Management training is planned for 2016 to follow on from the session provided in September 2015.
- 8.9 Heads of Service have nominated team members that have responsibility for Contract Management as part of their role for the training.
- 8.10 The Procurement Manager remains heavily involved in a number of strategic tender projects that are due to be finalised and mobilised by April 2016.
- 8.11 As yet, it has still not been possible to successfully to recruit to the three year Procurement Officer post.
- 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, YPO , 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. To assist to expedite this migration, it is intended to recruit a temporary Data Input officer. Discussions are being held with HR to progress this appointment.
- 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 members' consideration, along with the proposed Action Plan for 2016/17.

8.18 Aside from managing and assisting with tender processes, the Action Plan includes the following key projects:-

- Transfer of Contract Register onto Intend procurement system.
- Rolling out the use of Intend to Contract Managers to assist with contract management and tender processes.
- Undertake Spend Analysis to identify tender opportunities.
- Further Procurement training, including advanced procurement and contract management.

8.19 The Code of Procurement Practice is under review. Proposed changes are planned to come before members in April. A key proposal will be to review the thresholds, notably for contracts between £10,000 and £25,000.