

**ANNUAL REPORT ON PROCUREMENT 2006  
(Director of Corporate Services)**

**1 PURPOSE OF PAPER**

- 1.1 The Council spends almost £90m pa on the procurement of external goods and services. This paper draws attention to the Annual Report on Procurement 2006 (Appendix 1). The report explains the work being done to improve the Council's performance in the way it procures these goods and services, highlights the achievements during the preceding financial year and identifies the direction of travel for the coming year.

**2 SUGGESTED ACTIONS**

- 2.1 **That the Commission note the progress being made on developing the procurement function, the savings being made and the future programme – as expressed in the Annual Report on Procurement 2006.**

**3 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS**

Borough Solicitor

- 3.1 [The report author must consult the Borough Solicitor, or his representative, over the wording.]

Borough Treasurer

- 3.2 [The report author must consult the Borough Treasurer, or his representative, over the wording.]

Impact Assessment

- 3.3 A gradual move towards utilising more cost effective larger framework agreements established by local authority consortia or central government, although demonstrating far better value for money, might impact to some extent on the volume of business placed through (not necessarily local) small and medium sized enterprises (SMEs) compared to previous uncoordinated ad hoc purchasing arrangements. However policies are being developed to minimise the negative impacts by for example:
- improving information about and access to Council business via the Selling to the Council pages on BFOne and the development of the Thames Valley Supplier Portal;
  - asking tenderers for appropriate larger contracts to explain how they will use SMEs to good effect within the supply chain.

Other Officers

- 3.4 Not applicable

## 4 SUPPORTING INFORMATION

4.1 Procurement is now looked at strategically with professional procurement resources focused on key common spending areas across the Council. Highlights of the Report include:

- The National Procurement Strategy for local government has been successfully implemented in BFBC and all relevant targets achieved by the end of 2005-6.
- Nine out of the ten Key Performance Indicators set for Procurement were achieved or exceeded in 2005-6.
- Expansion of the corporate procurement team last year generated cashable savings of £80k in 2005-6, over £600k are expected in 2006-7 and the foundations have been laid for savings of around £1m pa in 2007-8 and beyond.
- Both BFNet and BFOnline are being fully exploited to deliver comprehensive advice and help to both (a) Council and school staff purchasing at all levels and (b) for businesses wishing to trade with the Council.
- A strong collaborative procurement network in the Thames Valley has been established (and chaired) by BFBC and this works closely with the South East Centre for Excellence (SECE - a DCLG body designed to promote efficiency).
- With funding from SECE and GOSE, a new pan-Berkshire joint strategic procurement service, provisionally called TV SPeCS (Strategic Procurement and Collaboration Service) is being set up, with a remit to look closely at high spending areas, especially social care.

4.2 Future work will focus on:

- Delivering cashable savings through direct corporate procurement projects in high spend areas, particularly around building works, energy, transport and consultancy
- Improving internal processes, through the exploitation of technology, to make them more resource efficient eg reducing number of paper invoices, utilising more electronic ordering etc
- Investigating the viability of a Thames Valley shared service for energy procurement.
- Working with TV SPeCS to improve information flows aimed at getting better deals for the Council, via the development of a Thames valley e-portal.

And thereby improving service levels to citizens.

4.3 The detailed programme of work for the corporate procurement team is attached at Appendix 2.

Contact for further information

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**APPENDIX 1 - ANNUAL REPORT ON  
PROCUREMENT 2005-6**



## 1.0.1 Introduction

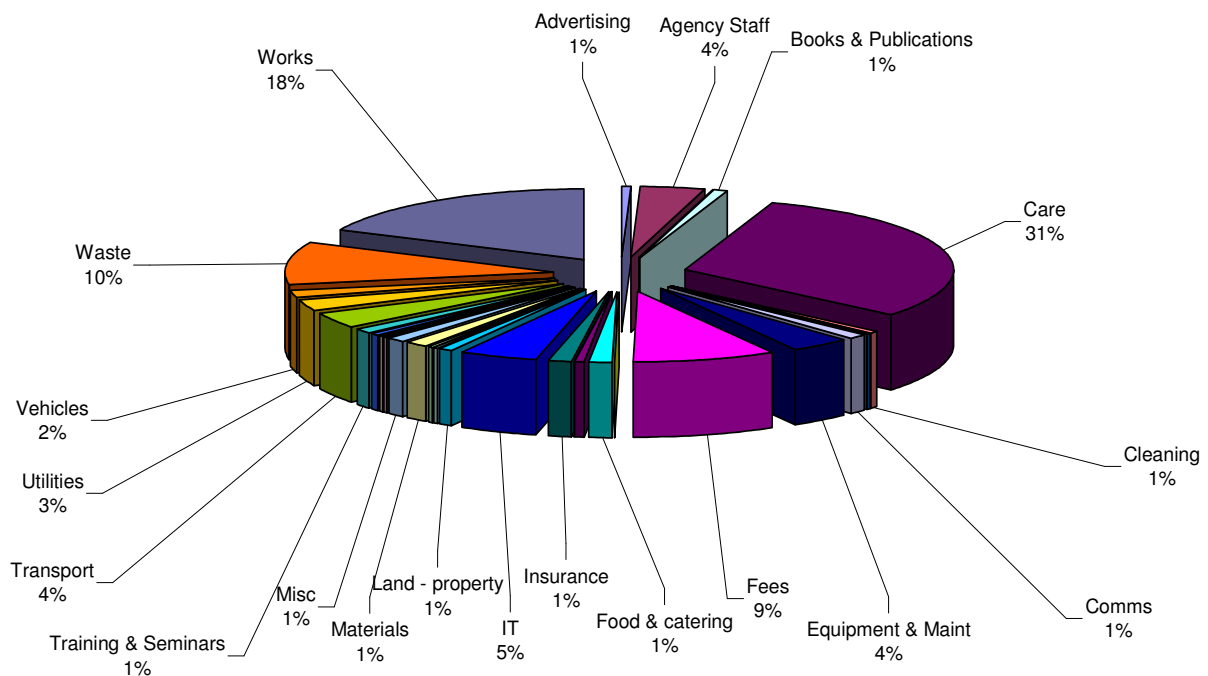
1.1 The corporate procurement function was strengthened early last year with the addition of two Principal Procurement Officers, to help achieve further vfm savings. The work they have done in their first 12 months has laid the foundations for savings of approaching £1m pa for the next 3 years starting in 2006-7. Moreover the work carried out on the regional and sub-regional stage has significantly raised the profile and enhanced the perception of the Council within the procurement arena. In particular the imminent establishment of TV SPeCS (see paragraph 2.5) will allow strategic and collaborative procurement to become even more firmly established as the norm within the sub-region and bring considerable vfm benefits to BFBC.

1.2 The Council's Procurement Strategy was revised in March 2005. Over three quarters of the tasks set in the Implementation Plan have now been achieved. *Moreover, 9 of the 10 measurable Key Performance Indicators have been achieved. We now have more contracts in place, covering a larger proportion of the Council's total spend and the number of separate suppliers has been reduced.*

## 2.0 Background

2.1 The Council's **expenditure** on bought-in goods and services in 2005-6 was approximately £ 87m. This compares with £77m identified as such last FY. The increase is attributed to better data gathering, notably the inclusion of direct debit payments and some care and housing control accounts previously omitted, Analysis indicates this breaks down as follows:

**2005-6 Expenditure Analysis**



2.3 The categorisation of spend however remains a difficult and time consuming task - over 19 man/days of analysis of Agresso outputs. The biggest spending areas remain social care (31%), building works and related maintenance services (18.5%) and Waste (10%). No significant trends can be discerned with a reliable degree of accuracy. The use of an external expenditure analysis

service (funded by SECE) suggested that approximately 19% of the Council's spend in 2004-5 was with local SMEs (ie suppliers having RG and SL postcodes). The analysis was rather coarse however and the figure needs to be treated with caution. It is expected that better analysis will be available next year as a result of further work being funded by SECE – probably involving TV SPeCS.

**TOP 10 SUPPLIERS: (excl public bodies eg Berks Healthcare NHS Trust)**

		£k
1.	Ringway	5,387,609
2.	SITA	5,020,533
3.	BIFFA	3,423,781
4.	Turnstone Support	3,191,405
5.	New Support Options	1,756,003
6.	Anglian Windows	1,701,534
7.	Zurich Muncpl	1,171,867
8.	Mowlem	1,111,357
9.	William Davies	1,110,926
10.	Southern Electric	883,067

2.4 The high spending areas are currently being addressed as follows:

2.4.1 Building works - The partnership contract with Mowlem has not been a great success due largely to a lack of commitment by the contractor. A number of projects were therefore subjected to competitive tender rather than completed via the partnership. Rather than commit resources to retendering the contract, we expect to adopt the new SECE/Hants CC Partnering Framework Agreement – at least on a trial basis.

The new highway maintenance contract (estimated value £5m pa with Ringway Highway Services has been operating successfully for 18 months.

Term contracts exist for a number of other strategic services eg M&E maintenance, lift maintenance and replacement windows, amongst others.

2.4.2 Care services – Social Services and Housing have implemented a full range of spot and block contracts for residential and nursing care, domiciliary care, supported living and live-in care, in addition to drawing up new steady state contracts for Supporting People and tendering for a range of goods, services and consultancy using new standardised departmental contracts. The introduction of the Department's SWIFT IT system has enabled all Service User Agreements for domiciliary care to be produced, sent out and stored electronically and this will be extended to all care contracts during 2006/2007. Preparations have been made for a full tender exercise (possibly jointly with another unitary authority) for domiciliary care in the next financial year, in addition to the current joint preferred supplier list which has been extended during the year.

2.4.3 Considerable progress has been made with the harmonisation of procurement activity with the full range of organisations that provide goods, services and consultancy to the Department, which includes the NHS, other Local Authorities, internal and external providers and voluntary and community sector organisations.

2.4.4 Following the split between Adults' and Childrens Services, some very preliminary work has been done identifying fostering services as a particular financial concern. Discussions with Wokingham DC, DfES Centre for

Procurement Performance and the SECE suggest that it may be possible to get a significant collaborative project to address this area off the ground during 2006-7, possibly through resources available to TV SPeCS (see paragraph 2.5).

- 2.4.3 Energy - Despite the use of best practice procurement techniques, the cost of gas and electricity has doubled over the year and further big rises can be expected during 2006-7 as a result of continued deterioration in trading conditions. (see also SECE paragraph below). BFBC acted for 5 of the Berkshire Unitaries in establishing the joint contract for unmetered electricity (predominantly street lighting). We also participated in the SECE energy procurement project – see below – which aims to identify and share best practice and improve procurement through collaborative action where that is appropriate. But given the complexity of the markets this will not be an easy or rapidly-concluded task.
- 2.4.4 Waste Services - This is primarily being addressed via the R3 PFI project which is taking longer than anticipated to finalise. However the waste collection contract with SITA has been extended until 2007. Work is underway to identify smarter procurement routes for wheeled bins, refuse vehicles and biodegradable refuse sacks during 2006-7.
- 2.5 The **Thames Valley Procurement Forum** (TVPF), chaired by BFBC, has continued to develop and now includes Berks Fire and Rescue Services and Thames Valley Police. A combined Thames Valley contract database has been compiled which is already proving useful in identifying collaborative potential, with a number of projects being considered over the coming year. The most notable of these projects is the development of the **Thames Valley e-Portal** which has the potential to transform procurement for Councils and suppliers across the sub-region. The e-Portal will provide access via the web to a comprehensive database of existing public sector contracts and prices so that buyers can identify opportunities to use each others contracts (where appropriate), benchmark prices and identify potential collaborative contracts. Moreover it will act as a one stop shop for suppliers to access details of forthcoming tender opportunities across the Thames Valley, express interest and prequalify themselves or identify existing council contractors who they would like to supply. The Portal will be supported by a joint service team (provisionally known as **TV SPECS** – Thames Valley Strategic Procurement & Collaboration Services) funded by a partnership of Thames Valley authorities and SECE. TV SPeCS will be a key driver in the delivery of strategic and collaborative procurement across the sub-region in 2006-7 and beyond.
- 2.6 **South East Centre for Excellence (SECE)** – The Council has been actively involved in supporting the work of SECE and is beginning to draw benefit from the networking opportunities in identifying and taking advantage of each others experience. We have taken the lead for the Thames Valley in a combined London/SE energy procurement research project. Much of the best practice identified by the research report had already been implemented in BFBC, but further work will be undertaken during 2006-7 to take forward other recommendations aimed at improving energy buying performance in extremely difficult market conditions.
- 2.7 The **National Procurement Strategy** has been successfully implemented in BFBC and all relevant targets achieved by the end of 2005-6.

### **3.0 Achievements 2005-6**

- 3.1 Key achievements during the FY have been:

- Foundations laid for new pan-Berkshire joint strategic procurement service, TV SPeCS
- Total cashable annual savings of circa £80k achieved in year; but with foundations laid for ongoing annual savings in estimated at almost £1m pa for 2006-7 and beyond. Non-cashable savings and cost avoidance during the FY totalled over £200k.
- Held first e-auction in Thames Valley (telecoms contract – see below) and secured funding from OGC for this and one other auction (to be held early next FY)
- Revision/enhancement of the Procurement Manual
- Development and publication of Selling to BFBC webpages
- Further development and improvement of the now very extensive Procurement Intranet pages:  
<http://bfnet.bracknell-forest.gov.uk/Procurement/index.htm>  
including making these available to schools via BFOnline.
- Establishment of the Thames Valley Contract Database, identifying major contracts across Thames Valley authorities – facilitating the identification of collaborative opportunities.
- Development and publication of the E-Procurement Strategy
- Signing up to the DTI's SME Concordat

3.2 Major contracts awarded during 2005-6, by or with the assistance of the corporate Procurement Team included:

- Corporate fixed line telecoms contract – a joint venture with 9 other SE authorities – awarded following an e-auction (Estimated savings of £50-60k pa)
- Agency staff contract – currently being rolled out incrementally across the business. (Potential savings of 10% expected against total spend of circa £3m pa)
- Berkshire street lighting electricity supplies (Rising commodity prices led to a large increase compared to the previous contract established 2 years ago, but these were mitigated by an estimated £ 56 k pa through the use of best practice techniques such a e-tendering and a dynamic decision making process).
- Gas supplies (Rising commodity prices led to a large increase compared to the previous contract established 2 years ago, but these were mitigated by an estimated £200 k pa through the use of best practice techniques such a e-tendering and a dynamic decision making process).

**Performance against Key Performance Indicators and Procurement Strategy**

- 3.3 KPIs established in the Procurement Strategy are shown in detail in Annex C. Of the 10 measurable indicators for 2005-6, *9 have been achieved, indicating clearly that improvements are under way and having impact*. The number of invoices was reduced by 10% compared to the previous FY – below the stretch target of 15%, but still a worthy achievement. Further improvement in 2006-7 can be expected with greater emphasis on process improvement in implementing the corporate procurement programme.
- 3.4 The Procurement Strategy Implementation Plan is now 80% completed, though many of the actions are ongoing items of continuous improvement. The action plan has been revised and aim is to complete outstanding items by the end of 2007 (see Annex A).

#### **4.0 Audit of Contracting and Procurement**

- 4.1 During the latter half of the financial year, Deloitte and Touche completed an internal audit of a selection of departmental contracts. It identified two priority 1 recommendations:
- i. Staff should always have formal written delegation under Contract Regulations
  - ii. Contract documents should always be available from a central repository held by the Borough Solicitor.
- 4.2 In both cases systems were in place to address the issues but were not being routinely and comprehensively followed by departmental staff but proposals to tighten up on this are going before CMT. The full audit report action plan is attached at Annex D.

#### **5.0 The Future**

- 5.1 The Council's profile in the regional and national procurement arena has been raised significantly during 2005-6 :
- i. Management Board of the SECE (Chief Executive)
  - ii. Chairing of the Thames Valley Procurement Forum (Head of Procurement)
  - iii. Active involvement in SECE Commodities Goods and Services Workstream (Head of Procurement)
  - iv. SE lead in joint LCE/SECE energy procurement project (Head of Procurement)
  - v. Being invited to take part in the National Procurement Advisory Group (Head of Procurement)
- 5.2 The key target for the immediate future will be an increased level of vfm savings. This will be delivered through (a) better access to nationally-available contracts via the TV e-Portal (b) more collaborative procurement via TV Procurement Forum and SECE (c) enhanced competition for BFBC contracts through wider publication of forthcoming contract opportunities (via TV e-Portal and Supply2.gov.uk) (d) the corporate contract programme – which will include:
- Food and drink supplies (project initiated in 05-06; completion expected Summer 2006)  
The Council spends approx £1m on food and drink supplies, mainly for care homes and for resale in the council's leisure facilities, with some 100 separate suppliers. The contract will aim to save money by aggregating demand not only across BFBC but also with Reading, Slough and Epsom & Ewell. It will also improve the efficiency of the ordering and payment process, perhaps by the use of web-based ordering.
  - Photocopying and Printing services  
Following completion of a review of photocopying and printing, a mini competition will be held under the OGC's photocopier framework agreement to secure a partner to take forward the Council's print strategy.
  - Taxi and coach services  
Following the appointment of a Head of Transport in autumn 2005, a business case is being made for the creation of a corporate transport service. Once established – expected summer 2006 – one of the initial priorities will be the establishment of new contractual arrangements for taxi and coach services with special emphasis on Home to School transport (expenditure circa £3m )
  - Purchase of light commercial vehicles (LCVs)  
With a commercial vehicle & minibus fleet over 60 vehicles (valued at over £1m), the Council needs to optimise its purchasing arrangements. Piggy-backing another (larger) public sector contract is likely to yield the best deal.

- Leasing arrangements for LCVs  
The Council spends around £ 400 k on leasing services pa and the current arrangements have been in existence for more than 6 years and now need to be comprehensively reviewed and subjected to the rigours of competition.

5.3 Large departmental contracts being retendered during 2006-7 will include:

- Electricity supplies
- Car park management
- Heating Oil
- Mtce of HW valves and water treatment plant
- Mtce of domestic gas appliances & HW systems

5.4 Other significant Departmental projects being supported by the corporate procurement team include:

- Civic Hub project
- School meals

5.5 In addition, corporate procurement is assisting Childrens Services in investigating a new approach to Foster Home placements and the procurement of Foster Agency services, in collaboration with the DfES's centre for Procurement Performance (CPP). See para 2.4.2 above.

**ROB ATKINS**  
**Head of Procurement**

26 July 2006



## Annex A - BFBC Procurement Strategy Implementation Plan Progress Statement March 2006

	Checkpoints	Achieved Yes/No	Actions reqd	Evidence of achievement	Cmptn Date	Comments
<b>1</b>	Take a strategic overview of corporate procurement					
1.1	Undertake Portfolio Analysis of expenditure	Y/Ongoing	Annual refresh	2005-6 analysis published on intranet	06-06	
1.2	Aggregation into larger/corporate contracts	Y/Ongoing	Establish new corporate contracts where appropriate	First new corporate contract awarded; new corporate contract programme established	Ongoing	
1.3	Contract management	Y/Ongoing	Establish suitable arrangements for all new corporate contracts	Contract management and performance monitoring processes in place	Ongoing	
1.4	Collaborative arrangements	Y/Ongoing	Establish collaborative contracts with neighbours	Collaborative contracts/framework agreements awarded	Ongoing	Scope being established via TV Proc Forum;
1.5	Procurement community database	Y	Continued mtce	Database established	Ongoing	In use
1.6	KPI's	Y/Ongoing	Annual refresh	Published on intranet	06-06	
1.7	Annual report to the Director of Corporate Services & Resources & Leader	Y	Annual refresh	Report submitted and accepted	06-06	
<b>2</b>	<b>Establish procurement as specific element in corporate department planning process</b>					
2.1	Incorporate procurement strategy in Corporate Plan	N	Discuss with HoP&I		03-07	
2.2	Integrate with depts annual Service Plans	N				
2.3	Review plans annually	N			03-08	

	Checkpoints	Achieved Yes/No	Actions reqd	Evidence of achievement	Cmptn Date	Comments
<b>3</b>	<b>Adopt a commercial approach, in line with Best Value principles</b>					
3.1	Evaluate all bids on quality and whole life cost	Y	Completed	Publication of Procurement Manual and Best Practice Toolkit	09-04	Advice published in Procurement Manual
3.2	Review processes and Contract Regulations	Y	Completed	Adoption of revised Regs by Full Council and publication on Intranet	07-04	
3.3	Procurement Manual and best practice toolkit	Y	Completed	Publication of Manual and completion of staff training	09-04	Advice published in Procurement Manual
3.4	Departments access to professional advice/involvement	Y	Ongoing	Depts seeking advice from HoP	10-02	Ongoing and increasing
<b>4</b>	<i>Develop scope for E-Procurement</i>					
4.1	Links with neighbouring authorities	Y	Ongoing	Regular meetings established	10-03*	*Thames Valley Procurement Forum inaugural meeting
4.2	New contracts incorporate requirements for e-trading	Y	Ongoing	First contract awarded with specific e-trading provisions	01-05	
4.3	E-tendering and e-auctions	Y	Ongoing	First contract awarded on basis of e-tendering/auction	10-04	First e-tender awarded for electricity supplies E-auction planned for telecoms 06-05
4.4	Trial GPC	Y	Completed	First transactions via GPC	02-04	Initial trial for stationery with Banner Business Supplies
4.5	Develop and publish e-procurement strategy	Y	Completed	Strategy agreed by CMT/Executive	06-05	

	Checkpoints	Achieved Yes/No	Actions reqd	Evidence of achievement	Cmptn Date	Comments
5	<b>Commit to principles of sustainability, community cohesion and ethical procurement where these can be achieved within the terms of BV Principles</b>					
5.1	Best practice guidance to staff in conjunction with SAG and CCG	Y	Completed	Procurement manual chapter published	03-06	
6	<b>Simplify business process</b>					
6.1	Framework agreements for high volume/low value goods and services	Y	Ongoing	Framework agreements in place	Ongoing	
6.2	Procurement Manual and standard documentation	Y	See above			
6.3	Effective interfaces with Council systems and processes	Y			Ongoing	
7	<b>Improve communications with markets</b>					
7.1	Annual procurement plan/programme	Y	Completed	Published on "Selling to the Council" pages on BFOnline	12-05	
7.2	Identify markets not delivering optimum performance - develop/manage them	N			12-06	
7.3	Opportunities for partnership working/collaboration with suppliers/markets	Y	Ongoing	Partnership contracts in place	04-04	Partnering in Construction contracts for building works awarded
7.4	"Selling to BFBC" guide	Y	Completed	Pages published on website	12-05	
7.5	Major suppliers development programme	N			2007	

	Checkpoints	Achieved Yes/No	Actions reqd	Evidence of achievement	Cmptn Date	Comments
<b>8</b>	<i>Ensure availability of appropriate training &amp; guidance for all staff involved in procurement (incl schools)</i>					
8.1	Undertake procurement skills gap analysis	Y	Complete	Analysis complete	06-04	
8.2	Develop training programme	N			12-06	
8.3	Procurement Manual	Y	See above			
8.4	Prepare best practice toolkit with standard documentation	Y	See Procurement Manual entry above			
<b>9</b>	<b>The organisation of procurement will remain unchanged but:</b>					
9.1	Improve communications with staff and schools	Y	Completed	Schools access to BFnet procurement pages improved via web access	03-06	
9.2	Develop feedback system	N			12-06	
9.3	All guidance issued employs Plain English	Y	Ongoing	Revised Contract Regulations published	06-04	Commenced with new Contract Regulations
9.4	Strengthen Procurement Team to deliver cashable savings	Y	Completed	Staff in post and target savings realised	02-05*	*Principal Procurement Officers started work.

	Checkpoints	Achieved Yes/No	Actions reqd	Evidence of achievement	Cmptn Date	Comments
10	<b>Ensure all suppliers are treated fairly and openly in the award of Council contracts</b>					
10.1	Ethical code as part of Procurement Manual	N			12-06	
11	<b>Commit to implementing the National Procurement Strategy for Local Government within the proscribed ODPM timescales</b>					
11.1	Prepare annual report against National Strategy	Y		Report published	07-04 03-05*	*updated
12	<b>Commit to continuous improvement of all procurement practices and procedures</b>					
12.1	Regularly review Contract Regs, Procurement Manual	Y	Ongoing	Revisions issued	Continuous	
12.2	Benchmarking review of procurement	Y	Completed	BV Review published	06-02	
12.3	Establish and monitor KPIs	Y	Ongoing	KPIs published	07-04	
12.4	Establish KPIs for all major contracts	N	Ongoing	KPIs published	Ongoing	

## Annex B - Key Procurement Performance Indicators

	Source	2004/5	Aim	2005-6	Achieved
No of contracts >150k	Contracts database	34	↑	42	✓
No of contracts <150k	Contracts database	12	↑	21	✓
Total contracts	Contracts database	46	↑	63	✓
No of suppliers	Annual expenditure ex AGRESSO	4518	↓	4232	✓
Annual spend	Annual expenditure ex AGRESSO	£76,760k		£87,232k	
Average per supplier	Calculation	£16,990	↑	20,613	✓
Identified Proc Community members	Proc Community Database	303	↓	254	✓
Volume of spend on contract	Contracts database	£35,936k	↑	65,118,871	✓
Volume of spend off contract	Calculation	£40,824K	↓	22,113,385	✓
No invoices	BVPI 18	52,600	43,770	46,433	✗
Average invoice value	Calculation	£1,754	↑	£1,879	✓
No of Contract notices in OJEU	TED website	11		5	
Cashable Procurement savings	SPG	£93k	£57k	£84k	✓

### Cashable Procurement revenue savings targets:

	New	Cumulative
2005/06	£ 57k	£ 57k
2006/07	£ 172k	£ 229k
2007/08	£ 342k	£ 571k

## Annex C - Procurement Savings 2005-6

Dept & Cost centres affected	Contract	Nature of saving	How achieved	Contract length	Total amount	Total amount 2005-6	Agreed cashable element 2005-6
All	Agency staff	Lower cost than previously paid	Implementation of Hants CC contract	4 years	£765k (after allowance for contract "leakage")	£24k	£24k
All	Fixed line Telecoms	Lower cost than previously paid	Competitive tendering and e-auction	4 years	£356k	£2k*	£2k
All	IT framework	Lower cost than previously paid	Competitive tendering	5 years	£467.5k	£93.5k	£56k
Various	Advertising	Retrospective: prompt payment discount – actually achieved in 2005-6	Contract negotiation	5 years	£7k to date	£2k	£2k
Various	Gas supplies	( Cost increase avoidance ( through use of e-tendering; ( lower cost than would have ( been achieved via traditional ( approach to market	Competitive tendering	3 years	£500k	£100k	nil
Highways	Unmetered electricity			2 years	£110 k	£25k	nil
							£84k

\* 2005-6 amount - increasing next year as contract roll out continues

## ANNEX D - Internal Audit Report on Contracting & Procurement 2005: Action Plan

Recommendation		Resp	Action proposed	Deadline	Comments
<b>Priority 1:</b>					
2	Remind staff of need for written procurement delegations in accordance with Contract Regs	HoP	(i) CMT paper (ii) Reminders to DMTs via SPG (iii) Reminders to staff via Procurement Community Database refresh	28.02.06	Paper to CMT end March
10	Consider central repository for all contracts >£150k	HoP	Agreed with Asst Boro Sol and SPG	30.04.06	..
<b>Priority 2:</b>					
3	Prepare PID for all projects in the annual corporate contract programme	HoP	Issue instruction to corporate procurement staff	31.08.06	Completed.
4	Record reasons for selection of suppliers invited to tender	HoP	(i) Highlight shortcoming to DMTs via SPG (ii) Draw relevant staff's attention to advice in Procurement Manual	28.02.06	See rec 2 above
5	Corp Procurement to record advice given to Depts	HoP	Issue instruction to corporate procurement staff	31.01.06	Completed
6	Quarterly review of STA cases by the SPG	HoP	Regular feature on SPG agenda	31.01.06	Completed – first review took place 11.01.06



7	Tenderers should be given adequate time to prepare their tenders	HoP	Discuss problem with Chief Building Surveyor	31.01.06	Completed
8	All tender pricing schedules to be signed by both officers present at the formal tender opening	HoP	Amend Procurement Manual in consultation with Head of Democratic Services and the SPG	31.08.06	
9	Consultation with Borough Solicitor for contracts >£150k	HoP	Relevant staff to be reminded of the requirement; level now needs to be lowered to £140k (necessitating amendment to Contract Regs) because of change in EC threshold	31.08.06	Reminder to be linked to notification of change to Contract Regs
11	Procurement Manual section on Works to be completed	HoP	Initial discussion with Chief Building Surveyor	31.12.06	May need to be put back pending appointment of new Chief Building Surveyor
<b>Priority 3:</b>					
1	Revise SPG terms of Reference	HoP	Redraft ToR	28.2.06	Revised ToR agreed with SPG 08.03.06. Paper to CMT late March

## **APPENDIX 2 - CURRENT PROCUREMENT PROGRAMME 2006/7 ONWARDS**

*(italics indicate projects managed by Departments – others all managed by Corporate Procurement. Contract values are for BFBC only unless otherwise indicated)*

### **Contracts:**

- Food and drink supplies (circa £1m pa) – with RBC and SBC  
Comptn due end 2006
- Light Commercial Vans purchase/lease – with RBWM (circa £100k pa)  
Comptn due end March 2007
- Agency staff – roll out into Care staff (circa £2m pa)  
Comptn due end March 2007
- Taxis and minibus services (HTST+ Social services – circa £2m pa)  
Comptn due 09/07
- Mobile Phone services – under OGC Framework Agreement (circa £80 k pa)  
Comptn due end March 2007
- *Occupational Health Services (circa £60k pa)*  
*Comptn due 06/07*
- *Tree surgeon services (circa £100k pa)*  
*No prog yet – for 2006-7*
- *Banking services (circa £100k pa )*  
*Comptn due 09/07*
- *Office Cleaning (circa £150k pa)*  
*Comptn due 09/07*
- *Car park management (circa £175k pa)*  
*Comptn due 03/08*
  
- Independent Fostercare Agencies (circa £700k pa) – with WDC  
No programme yet; comptn target end 2007
- Thames Valley Collaborative Energy Project (circa £2,750m pa BFBC only; £20m pa Thames Valley combined)  
No programme yet; completion target mid 2008
- *Garth Hill College redevelopment (circa £30m)*  
*Programme under development*
- *Civic Hub Project – construction work (circa £ 15m )*  
*Comptn due Spring 2009*
- *Civic Hub Project - fit out, furniture & furnishings (circa £5m )*  
*Comptn due Spring 2009*
- *Berkshire Small Works Framework (circa £5-8m pa ???)*  
*No prog yet*

### **Issues for consideration/action:**

- Population and exploitation of Thames Valley e-Portal – ongoing from now
- Consultants expenditure (circa £6m pa) – how to improve procurement performance across the council.
- Integrate community cohesion into procurement strategy and processes
- Procurement training – what/how to address this
- Linkage to departmental business planning process
- Introduction of gateway process for consultancy services

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