

2012/13 PROJECTED REVENUE & CAPITAL OUTTURN AT 31st December 2012

Appendix 1 - Record of Progress Against Procurement Action Plan for 2011/12

| 7.1 Embed and Develop the use of the Procurement Strategy objectives across the Council | | |
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| Action | Status | Progress Narrative |
| <ul style="list-style-type: none"> • Consolidate the key officers group already trained via workshops for continued development of options appraisals for all service planning and contract management to enable better planned and managed contracts. <ul style="list-style-type: none"> ○ Consult on further needs and undertake a gap analysis on a project by project basis; ○ Build on workshops held in 2010; ○ Monitor progress and build case studies for use in workshops and to encourage buy-in. | Onward going | <p>Training continues on a project by project basis as follows:</p> <ul style="list-style-type: none"> • Housing – high level support for strategic housing team with the Affordable Homes Programme; • Environmental Services – entire procurement process and contract management for Transport and Waste teams resulting in more effective specifications and pricing mechanisms, better use of technology, prompt payment discounts and bulk purchasing with other councils. • Finance – more strategic approach to re-tenders for internal audit and treasury management. |
| 7.2 Governance and compliance | | |
| Action | Status | Progress Narrative |
| <ul style="list-style-type: none"> • Ensure all operational procurement and contract management activity complies with the Council's Contract Procedure Rules (CPR) and statutory regulations by: <ul style="list-style-type: none"> ○ Referring to the CPR with workshops; ○ Refreshers on a project by project basis; ○ Use of the rolling carousel news function on the intranet; ○ Regular meetings with HoS; ○ Visiting DMTs. ○ Circulating key learning points and case studies via Cascade and Inside Cherwell. | Onward going | <p>Procurement Manager has been meeting with new Heads of Service to review procurement projects for 2012/13 and enable better planning with improved outcomes. Most recently have been advising new HoS on areas such as the Contract Procedure Rules, waivers and have provided support to the two new officers on the Procurement Steering Group.</p> <p>A lot of work carried out on whether contracts set up prior to joint arrangements working with SNC can be utilised by SNC.</p> |

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| 7.2 Governance and compliance | | |
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| Action | Status | Progress Narrative |
| <ul style="list-style-type: none"> • Enhance the scrutiny and policy development role of the Procurement Steering Group Strategy Group by: <ul style="list-style-type: none"> ○ Holding first quarterly meeting by the end of May 2011 at which key objectives for the year will be agreed; ○ Rollout to HoS with rolling membership of two to three HoS. • Monitor procurement indicators with an agreed recording mechanism in place by July 2011. • A “No Purchase Order No Pay” policy is proposed whereby all expenditure is approved before it is committed. Retrospective Purchase Orders i.e. those raised after the commitment has been made should be discouraged and in due course sanctions should be considered for non compliance: <ul style="list-style-type: none"> ○ Promote work undertaken by Controls team via intranet carousel, Cascade and Inside Cherwell; ○ Undertake quarterly reviews with Controls team and approach officers not conforming to the policy. • Encourage buy-in to the rules from Members – particularly portfolio holders - by publishing regular updates via the Your Council Matters bulletin. | <p>Onward going</p> <p>Onward going</p> <p>Onward going</p> <p>Onward going</p> | <p>Further meetings being arranged with new group as a result of new JMT in place. Focus will particularly be on whole life costing and contract management.</p> <p>Corporate Contracts Officer is now monitoring on a quarterly basis.</p> <p>Work being undertaken by Controls team to consider how best to mitigate the impact of embedding the policy on the targets for payment of invoices within 30 days.</p> <p>One article published in Your Council Matters to date. Resources portfolio updated on procurement progress and now sitting on the Procurement Steering Group Strategy Group.</p> |
| 7.3 Achieve greater efficiency and demonstrate improved value for money | | |
| Action | Status | Progress Narrative |
| <ul style="list-style-type: none"> • Deliver VFM savings associated with best practice procurement for all categories with a lifetime contract value of more than £10,000 per annum with records maintained for anticipated and actual savings. Cashable savings target of minimum of £150,000 for 2011/12. | <p>Onward going</p> | <p>Cashable savings of £89,384 year to date (60% of annual target) together with non-cashable savings of £46,312 and capital savings of £124,000. Refer to Appendix 3 for complete breakdown. NB: Tenders for Internal Audit Services and Dry Waste Recycling Services are currently being evaluated and it is</p> |

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| 7.3 Achieve greater efficiency and demonstrate improved value for money | | |
|---|---------------------|--|
| Action | Status | Progress Narrative |
| <ul style="list-style-type: none"> • Further develop additional savings strategies such as: <ul style="list-style-type: none"> ○ More in-depth options appraisals that review the scope and service level requirements of contracts; ○ Exploring opportunities for in-sourcing, shared services or outsourcing to other authorities where appropriate; ○ Finder fees and reduced rates/retrospective discounts for opening tendered contracts to other authorities; ○ Prompt payment discounts. • Continue supplier rationalisation and elimination of spend with non-approved suppliers via analysis of data from across the South East and Agresso. Aim for 100% on contract expenditure for existing corporate contracts. | <p>Onward going</p> | <p>anticipated that the savings from these will ensure that the £150,000 cashable savings target is exceeded.</p> <p>In-depth options appraisals undertaken for vehicle purchasing and three year contract being set up using an existing framework which is estimated to provided both CDC and SNC with additional savings – to be confirmed by April 2012.</p> <p>Opportunities for in-sourcing explored to good effect with landscaping contract and options being looked at with pest control as SNC have an in-house team. Shared services options explored with Payroll with SNC and other local authorities.</p> <p>Finder fees being put to good effect with Telephony Maintenance contract where SNC have joined contract set up by CDC and being used for the Council Tax Single Person’s Discount Review Service.</p> <p>Prompt payment discounts have been put to good effect with the new liquid fuels framework with officers working to a 7-day payment period to net a further £1500 p.a. saving on top of the £3,500 p.a. saving for bulk ordering – i.e. avoiding premium charges for ordering below 30,000 litres per delivery.</p> <p>Recent expenditure review exercise has turned up opportunities for testing the market in areas such as engineering services, drainage, vehicle workshop supplies and short-term vehicle rental.</p> |

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| 7.5 Sustainability | | |
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| Action | Status | Progress Narrative |
| <ul style="list-style-type: none"> • Promote awareness, train and encourage buyers to review their consumption of goods and services, reduce usage and adopt more environmentally friendly alternative products. | Onward going | <p>greatly reduced. Also considered with the cleaning materials framework undertaken with Northampton Borough Council and the public convenience maintenance contract.</p> <p>Further work being undertaken with the stationery contract to reduce usage and successful outcome with the new contract for replacement multi-functional printers resulting in higher speed machines with removal of colour option for all but one printer.</p> |
| <ul style="list-style-type: none"> • Ensure sustainability is addressed with each procurement exercise by including it as a section within the stakeholder questionnaires and encouraging sustainability to be included within evaluation criteria as well as the assessment/pre-qualification stages. | Onward going | <p>Adoption of Government Buying Standards for recycled paper for services contracts whereby contractors agree to usage of recycled paper with all work undertaken on behalf of the Council.</p> |
| <ul style="list-style-type: none"> • Encourage buyers to break down larger contracts to match SME and Social Enterprise capacity where appropriate. | Onward going | <p>Adopted successfully for the PV (solar panel) installation and reactive buildings maintenance projects.</p> |

| 7.6 Joint Working | | |
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| Action | Status | Progress Narrative |
| <ul style="list-style-type: none"> • Develop framework for cooperation with South Northamptonshire Council in 2011/12: <ul style="list-style-type: none"> ○ Review forward plans for all procurement exercises in 2011/12 across both Councils; ○ Agree collaboration projects and targets for economies of scale in procuring together; ○ Review value for money of existing draw down contracts where there is the option of switching to whichever contract demonstrates the | Onward going | <p>The initial 14 high profile projects identified have been continually added to on a project by project basis and currently there are 31 projects on the joint working plan:</p> <ul style="list-style-type: none"> • Telephony maintenance – contract set up by CDC joined by SNC with savings to follow. • Postal Services – CDC has adopted framework for 2nd class post reviewed by SNC. • SNC have been included on a range of facilities |

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| 7.6 Joint Working | | |
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| Action | Status | Progress Narrative |
| <p>best VFM;</p> <ul style="list-style-type: none"> ○ Review existing common contracts and options for collaborative negotiating of the scope and pricing structures. ○ Provide quarterly reports on additional savings achieved by above activities. | | <p>management tenders including reactive buildings maintenance and lift maintenance.</p> <ul style="list-style-type: none"> ● Review of Internal Audit has resulted in joint tender exercise commencing for 1st April 2012 contract start date with tenders currently being evaluated and showing signs of savings for both councils. ● Dry Waste Recycling – joint exercise with SNC and Aylesbury Vale District Council – tenders currently being evaluated and indications are of a sizeable revenue income for all councils. |

| 7.6 Collaboration | | |
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| Action | Status | Progress Narrative |
| <ul style="list-style-type: none"> ● Develop further strategic links with the following procurement partners to share best practice, reduce duplication and administration costs and release additional savings: <ul style="list-style-type: none"> ● Oxfordshire Procurement Hub ● Strategic Procurement Partnership for Oxfordshire (SPPO) ● Northamptonshire procurement partnerships ● Milton Keynes, Oxfordshire and Buckinghamshire Procurement Partnership (MKOB) ● Procurement arm of Improvement and Efficiency South East (IESE) – and future partners – PCT, Thames Valley Police, Universities and Colleges. ● The South East Business Portal. | Onward going | <p>In 2012/13 CDC have lead on amongst others:</p> <ul style="list-style-type: none"> ● Liquid fuels (Oxford City) ● Tyres (Oxford City) ● Credit Checking (all Oxfordshire authorities and three Northants authorities) ● Dry Waste Recycling (SNC and AVDC) <p>Similarly CDC have benefited from working on the following joint exercises, some of which are ongoing:</p> <ul style="list-style-type: none"> ● Cleaning materials (Northampton Borough Council) ● Elections Printing (Northampton Borough Council) <p>The Oxfordshire Procurement Hub Officer has delivered three frameworks for use by CDC with a notable success with the provision of a Planned and Responsive</p> |

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| 7.6 Collaboration | | |
|-------------------|--------|---|
| Action | Status | Progress Narrative |
| | | <p>Buildings Maintenance Contract covering all key areas as follows:</p> <ul style="list-style-type: none"> • General Building (general labouring and wet trades) • Roofing • Painting and decorating • Flooring • Mechanical Engineering • Plumbing • Electrical • Carpentry/joinery • Glazing • Groundwork (including Tarmac and drainage) • Works over £5000 <p>This framework is being considered for use with the Affordable Housing Programme as well as the Council's own properties estate.</p> <p>The Hub Officer continues to review opportunities for joint working and most recently has been looking at online credit checking and the automated car park payment service, both of which are up for re-tender for CDC.</p> <p>In January the Procurement Manager met with over 30 public sector procurement leads from across the Thames Valley met to discuss opportunities for working together and the findings are being fed back to the Thames Valley Chief Executives Group. The main focus was on agreeing which market sectors are best focused on local, regional or national supply chains.</p> |

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| 7.8 Mixed Economy | | |
|---|--------------|--|
| Action | Status | Progress Narrative |
| <ul style="list-style-type: none"> • Continue to make it easier for local businesses to trade with us and implement a two-way dialogue process via online questionnaires and focus groups: <ul style="list-style-type: none"> ○ Dispatch of and collation of feedback from an online questionnaire; ○ Develop use of engagement forums for all relevant projects; ○ Feedback questionnaire for short listed suppliers – record any feedback from phone debriefs to reduce workload on suppliers. | Onward going | <p>Engagement forums have been used to good effect with the following projects:</p> <ul style="list-style-type: none"> • PV (solar panel) installation • Reactive buildings maintenance • Voluntary sector commissioning <p>Also scheduled to use workshops for the credit checking tender.</p> |

| 7.9 Corporate Procurement Resources | | |
|--|--------------|---|
| Action | Status | Progress Narrative |
| <ul style="list-style-type: none"> • Raise the profile of the Procurement Service and its achievements, both internally and with external stakeholders by: <ul style="list-style-type: none"> ○ Arranging bi-monthly 1-2-1's with key Heads of Service; ○ Regular updates via intranet carousel, Cascade and Inside Cherwell focusing on corporate contracts, the contracts register, updates and tips.; ○ Meetings with the partners listed in 7.6 | Onward going | <p>The increased flow of officers approaching the Procurement team – especially ahead of a project – demonstrates how right across the Council officers understand the importance of engaging procurement at the earliest possible stage with impromptu 'drop-in' surgeries occurring on a daily basis.</p> <p>The increased experience of the Corporate Contracts Officer and the Corporate Purchasing Officer has also been recognised by the way in which officers at all levels approach them for advice rather than going straight to the procurement manager.</p> |