

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

### APPENDIX 1

7.1 Embed and Develop the use of the Procurement Strategy objectives across the Council		
Action	Status	Progress Narrative
<ul style="list-style-type: none"> <li>• 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"> <li>○ Consult on further needs and undertake a gap analysis on a project by project basis;</li> <li>○ Build on workshops held in 2010;</li> <li>○ Monitor progress and build case studies for use in workshops and to encourage buy-in.</li> </ul> </li> </ul>	Onward going	<p>Training continues on a project by project basis as follows:</p> <ul style="list-style-type: none"> <li>• Housing – options appraisal, specification writing, evaluation and contract management preparation for voluntary commissioning projects;</li> <li>• Environmental Services – entire procurement process and contract management for Transport team with the Tyres and Liquid Fuels re-tender which are resulting in better use of technology, prompt payment discounts and bulk ordering.</li> </ul>
7.2 Governance and compliance		
Action	Status	Progress Narrative
<ul style="list-style-type: none"> <li>• 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"> <li>○ Referring to the CPR with workshops;</li> <li>○ Refreshers on a project by project basis;</li> <li>○ Use of the rolling carousel news function on the intranet;</li> <li>○ Regular meetings with HoS;</li> <li>○ Visiting DMTs.</li> <li>○ Circulating key learning points and case studies via Cascade and Inside Cherwell.</li> </ul> </li> <li>• Enhance the scrutiny and policy development role of the Procurement Steering Group Strategy Group by:                             <ul style="list-style-type: none"> <li>○ Holding first quarterly meeting by the end of May 2011 at which</li> </ul> </li> </ul>	Onward going	<p>Continued regular dialogue with HoS and officers both via 1-2-1 and team meetings. Most recently have been advising new HoS on areas such as the Contract Procedure Rules, waivers and have briefed 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>
	Onward going	<p>Further meetings being arranged with new group as a result of new JMT in place. Focus will particularly be</p>

7.2 Governance and compliance		
Action	Status	Progress Narrative
<ul style="list-style-type: none"> <li>key objectives for the year will be agreed;                             <ul style="list-style-type: none"> <li>○ Rollout to HoS with rolling membership of two to three HoS.</li> </ul> </li> <li>• Monitor procurement indicators with an agreed recording mechanism in place by July 2011.</li> <li>• 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"> <li>○ Promote work undertaken by Controls team via intranet carousel, Cascade and Inside Cherwell;</li> <li>○ Undertake quarterly reviews with Controls team and approach officers not conforming to the policy.</li> </ul> </li> <li>• Encourage buy-in to the rules from Members – particularly portfolio holders - by publishing regular updates via the Your Council Matters bulletin.</li> </ul>	<p>Onward going</p> <p>Onward going</p> <p>Onward going</p>	<p>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"> <li>• 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 <b>£150,000</b> for 2011/12.</li> <li>• Further develop additional savings strategies such as:                             <ul style="list-style-type: none"> <li>○ More in-depth options appraisals that review the scope and service level requirements of contracts;</li> <li>○ Exploring opportunities for in-sourcing, shared services or outsourcing to other authorities where appropriate;</li> </ul> </li> </ul>	<p>Onward going</p> <p>Onward going</p>	<p>Cashable savings of £73,413 year to date (49% of annual target) together with non-cashable savings of £31,845 and capital savings of £124,000. Refer to Appendix 3 for complete breakdown.</p> <p>In-depth options appraisals undertaken for voluntary sector commissioning has resulted in effective consultation exercise with local voluntary providers. Opportunities for in-sourcing explored to good effect with landscaping contract.</p>

<b>7.3 Achieve greater efficiency and demonstrate improved value for money</b>		
<b>Action</b>	<b>Status</b>	<b>Progress Narrative</b>
<ul style="list-style-type: none"> <li>○ Finder fees and reduced rates/retrospective discounts for opening tendered contracts to other authorities;</li> <li>○ Prompt payment discounts.</li> </ul> <ul style="list-style-type: none"> <li>● 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.</li> </ul>		<p>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.</p> <p>Recent expenditure review exercise has turned up opportunities for testing the market in areas such as civil engineering, drainage, vehicle workshop supplies and short-term vehicle rental.</p>

<b>7.4 Develop the corporate contract management methodology and promote across all service areas</b>		
<b>Action</b>	<b>Status</b>	<b>Progress Narrative</b>
<ul style="list-style-type: none"> <li>● Maintain a Council wide register of all contracts/agreements for all significant contracts (over £10K) and monitor procurement performance and activity, including savings and benefits tracking:                             <ul style="list-style-type: none"> <li>○ Quarterly contract review for all contracts on the register including record of any additional savings and efficiencies.</li> </ul> </li> </ul>	Onward going	Register has been further developed by the Contracts Officer with categorisation in line with the South East Business Portal (used by 74 local authorities and other public bodies across the South East and providing free information for local SMEs). The register is also being used by the Oxfordshire Procurement Hub Officer to identify further opportunities for collaboration with Oxfordshire local authorities.
<ul style="list-style-type: none"> <li>● Implementation of the three contract management templates developed by the Corporate Contracts Officer.                             <ul style="list-style-type: none"> <li>○ Quarterly review of templates in action both for new and existing contracts with brief case studies to promote good practice.</li> </ul> </li> </ul>	Onward going	Contracts Officer has met with officers to develop contract management template with approval to be sought from JMT for continued rollout in Q3.

7.5 Sustainability		
Action	Status	Progress Narrative
<ul style="list-style-type: none"> <li>Consider the costs and benefits of environmentally preferable goods/services as alternatives as part of the full lifetime cost calculation process.</li> </ul>	Onward going	Put to good effect with the Tyres re-tender with the rubber being 100% recycled. The bulk storage facilities for biodiesel coupled with guaranteed delivery within 48 hours mean that the CO2 reduction for deliveries will be greatly reduced. Also considered with the cleaning materials framework undertaken with Northampton Borough Council and the public convenience maintenance contract.
<ul style="list-style-type: none"> <li>Promote awareness, train and encourage buyers to review their consumption of goods and services, reduce usage and adopt more environmentally friendly alternative products.</li> </ul>	Onward going	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.
<ul style="list-style-type: none"> <li>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.</li> </ul>	Onward going	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.
<ul style="list-style-type: none"> <li>Encourage buyers to break down larger contracts to match SME and Social Enterprise capacity where appropriate.</li> </ul>	Onward going	Adopted successfully for the PV (solar panel) installation and reactive buildings maintenance projects.

7.6 Joint Working		
Action	Status	Progress Narrative
<ul style="list-style-type: none"> <li>• Develop framework for cooperation with South Northamptonshire Council in 2011/12:                             <ul style="list-style-type: none"> <li>○ Review forward plans for all procurement exercises in 2011/12 across both Councils;</li> <li>○ Agree collaboration projects and targets for economies of scale in procuring together;</li> <li>○ Review value for money of existing draw down contracts where there is the option of switching to whichever contract demonstrates the best VFM;</li> <li>○ Review existing common contracts and options for collaborative negotiating of the scope and pricing structures.</li> <li>○ Provide quarterly reports on additional savings achieved by above activities.</li> </ul> </li> </ul>	Onward going	<p>The initial 14 high profile projects identified have been continually added to on a project by project basis:</p> <ul style="list-style-type: none"> <li>• Telephony maintenance – contract set up by CDC joined by SNC with savings to follow.</li> <li>• Postal Services – CDC has adopted framework for 2<sup>nd</sup> class post reviewed by SNC.</li> <li>• SNC have been included on a range of facilities management tenders including reactive buildings maintenance and lift maintenance.</li> <li>• Review of Internal Audit has resulted in joint tender exercise commencing for 1<sup>st</sup> April 2012 contract start date.</li> <li>• Agresso (financial management system) upgrade being undertaken as a joint exercise in conjunction with the wider ICT review.</li> </ul>

7.6 Collaboration		
Action	Status	Progress Narrative
<ul style="list-style-type: none"> <li>• 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"> <li>• Oxfordshire Procurement Hub</li> <li>• Strategic Procurement Partnership for Oxfordshire (SPPO)</li> <li>• Northamptonshire procurement partnerships</li> <li>• Milton Keynes, Oxfordshire and Buckinghamshire Procurement Partnership (MKOB)</li> <li>• Procurement arm of Improvement and Efficiency South East (IESE) – and future partners – PCT, Thames Valley Police, Universities and</li> </ul> </li> </ul>	Onward going	<p>The Oxfordshire Procurement Hub Officer is providing support on two tender projects and continues to review opportunities for joint working.</p> <p>Effective dialogue with SPPO over joint working on facilities management tenders and contract management best practice and facilitating the use of apprenticeships with contracts let by the Council.</p> <p>IESE continue to provide some useful information on best frameworks available for key goods and supplies.</p>



7.8 Mixed Economy		
Action	Status	Progress Narrative
<ul style="list-style-type: none"> <li>• 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"> <li>○ Dispatch of and collation of feedback from an online questionnaire;</li> <li>○ Develop use of engagement forums for all relevant projects;</li> <li>○ Feedback questionnaire for short listed suppliers – record any feedback from phone debriefs to reduce workload on suppliers.</li> </ul> </li> </ul>	Onward going	<p>Engagement forums have been used to good effect with the following projects:</p> <ul style="list-style-type: none"> <li>• PV (solar panel) installation</li> <li>• Reactive buildings maintenance</li> <li>• Voluntary sector commissioning</li> </ul>

7.9 Corporate Procurement Resources		
Action	Status	Progress Narrative
<ul style="list-style-type: none"> <li>• Raise the profile of the Procurement Service and its achievements, both internally and with external stakeholders by:                             <ul style="list-style-type: none"> <li>○ Arranging bi-monthly 1-2-1's with key Heads of Service;</li> <li>○ Regular updates via intranet carousel, Cascade and Inside Cherwell focusing on corporate contracts, the contracts register, updates and tips.;</li> <li>○ Meetings with the partners listed in 7.6</li> </ul> </li> </ul>	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>