

Cherwell District Council
Budget Planning Committee

24 February 2015

Review of Procurement Strategy Progress
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Report of Head of Finance and Procurement

This report is public

Purpose of report

This report summarises the Council's Procurement Strategy progress for q3 of the financial year 2014-15.

1.0 Recommendations

The meeting is recommended:

- 1.1 That the Committee note the progress made during q3 2014-15 in implementing the Council's Procurement Strategy.

2.0 Introduction

- 2.1 Cherwell District Council and South Northamptonshire Council adopted its first formal Joint Procurement Strategy and Action Plan in 2012/13 and has refreshed it annually.
- 2.2 The purpose of the procurement strategy is to communicate clearly to stakeholders, operational managers, procurement specialists and suppliers in the private and voluntary sectors, the council's vision for the procurement of goods, services and works so that each may play a meaningful role in improving the procurement practices and delivering budget reductions at the council.

3.0 Report Details

- 3.1 The shared Procurement Team continue to collaborate with the wider procurement community to secure best value for CDC and lower the cost of procurement exercises. Examples of this are:
 - Team recently worked with Oxford City & SNC to procure refuse vehicles for the next 5 years producing significant savings on the purchase cost of the vehicles and additional parts savings and technician training.

- Team recently collaborated with Oxfordshire Fire & Rescue service, Oxford City Council, Oxfordshire County Council and West Oxfordshire District Council to purchase diesel. This collaboration produced further savings.
- Toilet cleaning and maintenance is a collaborative project involving CDC, SNC, West Oxford DC, Cotswold DC and Oxford City Council.

3.2 The Procurement Team continue to deliver best value for the Council and aggressively seek to reduce the whole life cost of projects.

3.3 Examples of added value achieved by the shared Procurement Team for CDC Q2 15/16 are shown in the table below.

Project	Procurement added value
Cost savings	
Refuse collection vehicles	£87,000
Credit reports	£1,402
RCV training	£6,300
RCV parts discount	£9,000
Diesel margin reduction	£2,700
Sub total	£106,402
Process saving	
Public toilet cleaning and maintenance	£2,000
RCV via CCS framework	£3,000
Pay by phone parking	£2,000
Street name plates	£2,000
Traffic management	£2,000
Sub total	£11,000
Bid differential	
Public toilet cleaning and maintenance	£35,184
Total	£152,586

4.0 Conclusion and Reasons for Recommendations

- 4.1 The shared procurement service continues to provide a valuable service to both Councils by delivering value for money both in terms of cost savings, cost avoidance and back end savings. The service also strives to ensure compliance with Procurement regulations. The Budget Planning Committee is recommended to note the progress made in q3 2015/16.

5.0 Consultation

The work of the Procurement Team is scrutinised by the Procurement Steering Group that comprises:

- The Monitoring Officer
- The Section 151 Officer
- The Head of Finance and
- The Resources Portfolio Holder

6.0 Alternative Options and Reasons for Rejection

- 6.1 No reasonable alternatives.

7.0 Implications

Financial and Resource Implications

- 7.1 There are no adverse financial effects on the Council by implementing the procurement strategy. Cashable savings will assist in protecting Council services and managing funding reductions.

Comments checked by:

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Legal Implications

- 7.2 Legal work closely with procurement to ensure that our processes are compliant and not open to challenge. The monitoring officer also plays a key role as part of the Procurement Steering Group.

Comments checked by:

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8.0 Decision Information

Wards Affected

All

Links to Corporate Plan and Policy Framework

Sound budgets and customer focused council

Lead Councillor

Not applicable.

Document Information

Appendix No	Title
None	
Background Papers	
None	
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