

EAST AYRSHIRE COUNCIL

POLICY AND RESOURCES COMMITTEE - 25TH NOVEMBER, 2004

CORPORATE PROCUREMENT STRATEGY

Report by Depute Chief Executive/Executive Director of Corporate Support

1. PURPOSE OF REPORT

- 1.1. To appraise Committee of the background pertaining to the preparation, content and intended purpose of a draft Corporate Procurement Strategy (set out as Appendix A) and to invite formal adoption thereof.

2. BACKGROUND

- 2.1 As members will be fully aware all Council Departments are to a lesser or greater extent dependant upon the use of external suppliers across the entire spectrum of Council activity. Such externally provided resources are broadly categorised for the purposes of procurement into contracts for the provision of works, services and supplies.
- 2.2 In general terms, the profile of procurement activity by all public authorities has been raised over the last number of years by European, National and Scottish legislatures. This has, in turn, led to the recognition and acceptance by such public authorities that detailed examination and, where appropriate, improvement of purchasing strategies and procurement processes has become a priority action.
- 2.3. In an effort to engender Best Practice on Procurement within the Council and to provide a clear strategy as to how such externally provided resources should be selected, acquired, managed and monitored a draft Corporate Procurement Strategy has been prepared. The strategy's principal purpose is to set out a clear strategical framework for all future procurement activity and development within the Council with the overall objective of the establishment of a coherent, comprehensive and integrated procurement strategy. The Strategy has sought to reflect corporate objectives and values whilst providing a best value framework in conjunction with all currently applicable legislation, Council Standing Orders relating to Contracts and Financial Regulations.

3. CONTENT OF THE STRATEGY

3.1 The draft Strategy is presented in five separate Sections the content of which can be broadly summarised as follows:-

- Overview – this section provides general background procurement detail including the purpose, aims, definition and policy objectives of procurement
- Procurement Principles – provides details of the main principles pertaining to procurement including Best Value, contract management and monitoring. Recognition is given within this section to the relationships between the Council's procurement activity and the wider impact of such activity on the social, economic and environmental wellbeing within the Council area.
- Procurement Arrangements – This part of the document provides details of current procurement arrangements within the Council including the Council's ongoing membership of the Authorities Buying Consortium. Attention is then turned to anticipated procurement organisational change which would be required as a consequence of the adoption of the strategy concluding with an analysis of examples of individual service unit procurement activity.
- Priorities for Further Action – this section identifies a list of existing achievements and proceeds to identify the scope of future procurement priorities including the evaluation and review of aspects of the Council's E-government strategy with the implementation of a programme for e-tendering, e-purchasing, e-invoicing and e-payment. The identified priorities are further supplemented by an ambitious and detailed three year action plan.
- For the sake of completeness details of current term Contracts which are centrally procured is produced in this section together with a list of anticipated new Contracts in the period 2004 – 2006 which have been included for information purposes.

4. IMPLEMENTATION OF THE STRATEGY

4.1 As identified above, implementation of the strategy will, as a first step, necessarily result in detailed examination of current procurement processes within departments which will undoubtedly lead to significant changes to existing operational procedures.

4.2 However, it is anticipated that implementation of the strategy will engender far greater organisational change for individual departments in how they approach procurement at both strategic and operational levels. The strategy will necessitate departments taking account of procurement matters at a preliminary stage of the planning process with particular emphasis on the identification of major anticipated procurement exercises as part of the

departmental budget setting exercise. In relation to the preparation of business plans by individual service units it will be necessary for detail to be included as to how any such plan proposes to implement the principles of the strategy and will, in turn, be an example and evidence of the Council's commitment to the principles and requirements of the Best Value regime and also the Community Plan.

- 4.3 Another key consequence of the strategy's implementation will be the introduction of an enhanced contract management and monitoring regime within the Council's existing corporate procurement team. This would be designed to provide assistance, where required, in achieving completion of procurement processes on time, within budget and in accordance with contractual specifications. In addition, it is anticipated that the enhanced monitoring role would identify areas of concern at a far earlier stage, thereby allowing appropriate remedial action to be taken promptly, together with early identification and analysis of areas of non-contractual spend and thus protect the Council's position under EU law.
- 4.4 Overall, the strategy must be regarded as a key Council policy document which is paramount to all procurement activity undertaken by the Council. The strategy takes account of the recommendations made by the **Byatt** report "Delivering Better Services For Citizens", the **Egan** report "Rethinking Construction" and the issues raised by the National Procurement Strategy for Local Government (which underpins the policies and strategy currently being implemented in England and Wales) and accordingly is reflective of nationally recognised procurement principles,
- 4.5 Lastly, the strategy identifies that, in addition to the matters raised in paragraphs 4.2 and 4.3 above, existing Council procurement policy documentation will require to evolve to achieve co-existence with the terms of the strategy. In particular, it is likely that future revisal of the Procurement Protocol, Standing Orders Relating to Contracts and Financial Regulations will be necessary on an ongoing basis.

5. **LEGAL/POLICY/FINANCIAL IMPLICATIONS**

- 5.1 Approval and subsequent implementation of the proposed strategy will significantly assist the Council in ensuring compliance with all European and domestic legislative requirements relative to procurement.
- 5.2 Preparation of the draft strategy has taken account of all current relevant policy provisions and this will be carried through in the context of implementation of the proposed strategy, if approved.
- 5.3 There are no financial implications arising immediately from the content of this report but it is anticipated that the successful introduction of improved procurement processes in accordance with the proposed strategy will give rise to opportunities for financial savings across the Council within the course of the next five years.

6. **RECOMMENDATIONS**

6.1 It is recommended that the Committee

- (i) formally approve the draft Corporate Procurement Strategy as set out in Appendix A;
- (ii) Remit to the Depute Chief Executive/Executive Director of Corporate Support to co-ordinate implementation of the proposed Corporate Procurement Strategy ; and
- (iii) otherwise, to note the contents of this report.

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EM/DM/SMcC

11 November 2004

BACKGROUND INFORMATION

Nil

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EAST AYRSHIRE COUNCIL

CORPORATE PROCUREMENT STRATEGY

2004 - 2007

OVERVIEW

All council Departments are to some extent dependent upon external suppliers of goods, services and works for the provision of Council Services. Even where services are currently provided in-house, a range of goods, services and works are procured externally in order to support the Service Provision.

It is therefore important that the Council develops a clear strategy for how these externally provided resources are selected, acquired, managed and monitored.

This document attempts to draw together the various approaches which are currently undertaken by the Council and utilise the procurement expertise and experience within the Council to establish a coherent, comprehensive and integrated Procurement Strategy for East Ayrshire Council.

1. INTRODUCTION

1.1 Generally

This is East Ayrshire Council's Corporate Procurement Strategy which sets out:

- The link between the Council's priorities and procurement
- The principles which underpin the Council's procurement activity
- The Council's current procurement arrangements
- The objectives for developing procurement within the Council
- A 3 year medium term action plan to support the objectives

The strategy takes account of the recommendations made by the **Byatt** report "*Delivering Better Services for Citizens*", the **Egan** report "*Rethinking Construction*" and the issues raised by the National Procurement Strategy for Local Government (policies and strategy currently implemented in England and Wales).

The strategy will be used for consultation with both internal and external stakeholders. The strategy will be circulated to all key stakeholders and suppliers using a variety of mediums including the Council's website. Regular feedback will be sought on the scope and coverage of the strategy and the actions and targets therein.

1.2 Definition of Procurement

Procurement is the overall process in which East Ayrshire Council purchases goods, has work carried out and obtains services. The process of "procurement" has a far broader remit and function than that of purchasing, buying and commissioning. The procurement process should address the following, as appropriate:-

- Do we need to and do we want to provide the service? (Service Review)
- Market & Stakeholder Consultation
- Risk Analysis & decision on Internal versus Outsourcing (Option Appraisal)
- Packaging & Procurement Route Options
- Notices
- Tenderer Selection (including Pre-Qualification Questionnaire Management)
- Tendering
- Tender Evaluation & Award of Contract
- Purchasing & Ordering
- Invoicing
- Payment
- Management of Contract
- Monitoring & Reporting
- Analysis of Procurement Process & Contract Performance (both parties)
- Effective end-of-life Disposal
- Continuous improvement
- Strategic Review

Primarily, procurement is about securing works, services and goods that best meet the needs of users and the local community, in order to help achieve the Council's key priorities. It is important that procurement decisions are taken in light of the broader outcomes the Council is seeking to achieve and not entirely focused on price alone. The procurement process should also take the broad view on advantage and gain.

Procurement should therefore be seen as an integral part of the Council's policies and strategies decision making process.

The core Council goals and values are:

- Quality, Equality, Access and Partnership
- to eliminate poverty, deprivation and unemployment
- to protect the weak and the vulnerable in every community
- to secure a quality environment for living and working
- to strive for a society based on equality and equal opportunities

These goals and values act as the focus for all activities of the Council including procurement. The key objectives of the Procurement Strategy have therefore been aligned with them. In procuring the goods, works and services that we need, the Council also has a duty to obtain Best Value (the optimum balance of quality and cost) and is positively encouraged to use its purchasing power to further environmental and social wellbeing. The strategy will therefore provide a focus for the Council to use the procurement process to further its social and environmental objectives within the current legislative framework.

1.3 Purpose of the Corporate Procurement Strategy

The purpose of this Strategy is to communicate clearly the Council's vision for the way forward in the procurement of Council services, supplies and works to all staff, partners, suppliers, contractors, service providers and stakeholders.

For this purpose, the following procurement vision has been developed:

"To secure Best Value through professional, planned and sustainable procurement which best meets the needs of users and the local community in order to help achieve the Council's key priorities"

This Strategy is an attempt to set out a clear framework for procurement throughout the Council. It shall reflect the Council Plan, encompass "Best Value" requirements, legislative requirements and the Council's Standing Orders.

The Strategy is not intended to be a Procurement Manual

1.4 The Aims of the Corporate Procurement Strategy

The aims of this Strategy are:

- To ensure that procurement supports the Council's values and delivery of its key priorities.
- To assist the Council in achieving value for money through cost effective and efficient services.
- To provide a corporate focus for all staff within East Ayrshire Council to improve the efficiency and effectiveness of procurement activity.
- To secure commitment for effective procurement from Members and Officers at all levels within the Council.
- To ensure that procurement is carried out with due regard to legislative requirements, best practice and the Council's Standing Orders.
- To detail the way forward for developing and improving the Council's procurement activity via an action plan.

1.5 Procurement Policy

Generally

East Ayrshire Council is committed to setting rigorous quality standards and the retention of a robust procurement and monitoring procedure to ensure the ongoing delivery of Best Value supplies, services and works from wherever they are sourced.

The Council requires all procuring Departments to adhere to, and promote, the following principles of Best Value Procurement:

Best Value Procurement will:-

- be driven by desired outputs and results
- generate the most advantageous balance of quality and cost
- be timely
- minimise the burden on administrative and monitoring resources
- expedite simple or routine transactions
- allow flexibility in developing alternative procurement and partnership arrangements
- encourage competition where appropriate
- encourage the continuing participation of high quality tenderers
- support the Council's corporate procurement strategy
- incorporate the Council's corporate policy objectives
- comply with the Council's regulatory framework and all applicable legislation
- above all, be transparent and accountable

The Council requires all services to demonstrate:-

- Commitment to users of the services
- Commitment to the Aims and Values of the Council
- Value for money
- Compliance with service aims and objectives
- Commitment to continuous improvement
- Commitment to quality and equality
- Operational efficiency
- Effective management, systems and procedures
- Flexible working arrangements to meet user requirements
- Commitment to the Council's policy objectives

The Council believes that in-house services can provide a high quality, flexible framework for developing and delivering services but acknowledges that there are other ways to deliver services. The Council expects in-house providers to find an appropriate balance between being best on quality, equality, value for money, service and employment practices. The Council will support in-house providers only where they offer value for money and operate in the best interests of service users.

Partnerships

The Council acknowledges the importance of partnerships in delivering Best Value - partnership with the private and voluntary sectors, partnership with other public bodies acting locally, and partnership with central government itself.

The process of carrying out fundamental performance reviews should foster an open and constructive dialogue with all those involved or who may have something to offer-be it from within the Council itself, or through partnership arrangements with the private and/or voluntary sectors.

The Council will encourage the development of new methods or approaches to procurement that will deliver services more efficiently, effectively and economically.

The Government's C's of Best Value - Challenge, Consultation, Comparison, Collaboration and Competition - are considered an integral part of this procurement policy.

The Use of Competition

The objective of the Council's procurement policy is to provide a means to drive performance by harnessing competition. This policy aims to use competitive forces to achieve Best Value:

- through indirect competition (i.e. benchmarking) the Council will assess the competitiveness of different functions by reference to other bodies including best value authorities and private and voluntary sector providers. Services provided in-house will be supported and encouraged to achieve equivalent levels of performance or better.
- through direct competition (i.e. alternative means of procurement). The Council will consider, having regard to current performance and suitability, whether an alternative means of procurement is appropriate. Contracts will be awarded to the provider offering the most economically advantageous balance of quality and cost.

Where direct competition is deemed appropriate and the in-house provider is competing, the in-house provider will be given the opportunity to compete on equal terms with external providers.

The following will be considered essential elements of competition irrespective of whether indirect or direct:-

- staff and their representatives will be consulted
- performance standards and monitoring strategies will be developed
- cost information will be properly identified and collected
- innovation will be encouraged
- social values and the Council's policy objectives will be protected
- probity, accountability and competitive neutrality will be ensured
- the responsibilities and accountabilities of all parties must be explicit

Services already subject to direct competition will be continually reviewed against the requirements of this policy, to ensure that the manner in which the service is provided remains the most appropriate to deliver Best Value.

1.6 Communication of the Strategy

It is important that the strategy is clearly communicated and available to all stakeholders. The strategy will be circulated to all key stakeholders, including Council staff and suppliers in the private and voluntary sectors. In order to facilitate this, use of the Council's intranet and internet will be made to communicate the strategy, along with other means of communication.

Council officers are required to read the strategy in conjunction with the current Procurement Protocol which details the internal operational arrangements to be followed in all procurements.

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2. PROCUREMENT PRINCIPLES

Key Principles

The strategy is based around the following key principles. All procurement should follow these principles.

2.1 Best Value

The Council will acquire goods, works and services through competitive tender except in circumstances set out in the Standing Orders relating to Contracts. Tender evaluation criteria will be published in advance of the procurement (i.e. in the Notice) and robust quality/price evaluation models will be prepared in detail and included in all procurement processes at an early stage.

2.2 Contract Management and Monitoring

The Council will ensure proper contract management and monitoring arrangements are in place in order to achieve completion of procurement processes on time, within budget and in accordance with the specification. Appropriate management information will be developed to measure procurement performance and to establish key performance targets. Procurement exercises will be treated as projects and appropriate project management principles and techniques will be adopted.

It is proposed that, within the Corporate Procurement function, there be included a monitoring remit that will:

- Monitor and review the management of procurement processes across the Council to identify any areas of concern at an early stage, thereby enabling remedial action to be taken timeously and to report on benefits to the Council.
- The analysis and reporting of non-contractual spend to prevent purchases that may exceed EU thresholds or where such spending may place the Council in breach of contract.
- To highlight areas of spend where cost saving benefits could be achieved by tendering the supply, service or works.
- Assist departments by advising them of current contractual arrangements for all works, supplies and services that are available for use or that must be used.

2.3 Risk Assessment and Minimisation

The risks associated with all procurement shall be assessed and minimised accordingly through effective risk management and the proper choice of procurement process including type of contract, packaging, Specifications, Conditions of Contract, Pricing Schedules and appropriate Award Criteria and Weightings.

2.4 Training and Guidance

Appropriately trained staff will be engaged in procurement and contract management. Guidance, training and support will be generally available to all staff who undertake a procurement function. Experience and best practice will be shared internally and externally.

2.5 Links to the Community Plan

All major procurement shall recognise the impact on the social, economic and environmental wellbeing within the Council area. These factors should be considered and adequately addressed in specifications and throughout the delivery of a contract, at all times taking full account of current EU and UK Procurement legislation.

2.5.1 Mixed Economy of Suppliers

Prior to any tender process commencing, the Council aims to encourage a mixed range of local suppliers to compete for contracts, in order to help develop a varied and competitive market place. This includes working with local small/medium sized firms and the voluntary and community sectors to enable them to compete for Council contracts and will necessitate education and training local firms in the provisions of this strategy. The key aspect of this approach is not to disadvantage small local suppliers by way of impractical contract packaging.

2.5.2 Diversity & Equality

During the tender process, the Council aims to deliver contracts in a way, which is non-discriminatory and promotes equality of opportunity to all. This includes promoting both racial and gender equality through proposals for ensuring key suppliers and contractors have equal opportunities in place, and that the diverse needs of minority groups and all user groups are taken into consideration in the preparation of relevant specifications.

2.5.3 Contract Packaging

All major procurement shall have due regard to the issue of sustainability and early decisions shall be taken to ensure that projects are packaged to encourage delivery in the most efficient manner and achieve what end users want and can afford.

The Council will seek to optimise its spending power by identifying opportunities to purchase its requirements through arrangements with other partners, including collaborative buying initiatives with other Councils and Organisations, as and where considered appropriate.

2.6 Professional Standards and Best Practice

All procurement procedures shall be operated in a professional manner and ensure the highest standards of ethics, transparency, probity and accountability. Procurement will comply with all GPA, EU, UK and Scottish procurement legislation and the Best Value Regime. This also includes compliance with the Council's standing orders, financial regulations, relevant codes of practice and Member and Officer Codes of Conduct.

2.7 Continuous Improvement

Where contracts are going to run for a number of years, the contract should provide for continuous improvement throughout the period of the contract. Arrangements require to be put in place for the monitoring of contract compliance and of measuring performance, both in terms of the procurement of contracts and in the post-contract management and use of contracts.

2.8 Workforce Matters

Any procurement that potentially involves the transfer of staff who are currently employees of the Council or its contractors, service providers and suppliers shall, as far as legally possible, fully protect the future terms and conditions of employment of such staff so that they continue to enjoy the benefits of the good employment practices of the Council.

Procurement of services will take into account any code of practice issued by Government relating to the handling of workforce matters in local authority service contracts.

2.9 Electronic Procurement

The Council will continually evaluate and develop appropriate electronic solutions to achieve efficiencies, reduce transaction costs and meet Government targets. This will include the continued use of the e-Noticing arrangements currently in place with Business Information Publications (BIP), and the continuance of the pilot scheme currently underway for e-Tendering.

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3. PROCUREMENT ARRANGEMENTS

This part of the document provides information on:

- How Procurement is Currently Organised
- Procurement Organisational Change
- Procurement Spending
- Spending Analysis
- Service Spending

3.1 How Procurement is Currently Organised

Procurement of goods, services and works are regulated by GTA, EU, UK and Scottish Legislation along with the Council's Standing Orders Relating to Contracts and Financial Regulations.

Procurement is currently undertaken as follows:-

- Strategic, Non Strategic and Collaborative Contracts – Corporate Procurement Section
- Highway & Construction Contracts – Department of Development and Property Services
- Uncategorised (ad hoc) Contracts – All Departments
- Stationery, Furniture, Power, Gas Framework Contracts - ABC

The Council has a central procurement function within the Department of Corporate Support. The procurement section provides procurement guidance to Departments and manages the procurement process for a wide range of goods, services and works, mostly of a strategic nature.

The Corporate Procurement Section aims to seek value for money on all goods, works and services bought by the Council, at all times ensuring that the Council adheres to Standing Orders, all relevant UK and European Legislation.

The Corporate Procurement Section offers guidance and advice to all departments of the Council on practices, procedures, regulations, legislative requirements (European and UK) and ethical issues relating to the procurement of goods/service/works and offers a consistency of approach in all procurement exercises it undertakes. The procurement section is striving to foster and develop procurement best practice across the Council and has been effective in building procurement partnerships, including collaborative buying initiatives.

However, currently there is no formal requirement for any Department to approach the Corporate Procurement Section for advice on the procurement exercise that they undertake. As a result, it is becoming increasingly recognised that there is a lack of consistency in approach or application of the procurement process within East Ayrshire Council, where Departments undertake procurement unilaterally, without reference to the Corporate Procurement Section.

3.1.1 The Council's Membership of the Authorities Buying Consortium (ABC)

East Ayrshire Council continues in its membership of the ABC and is represented at the regular meetings of the Joint Committee. In terms of the Minute of Agreement regulating the ABC the services to be provided thereby are:-

“a general purchasing service including without prejudice to the foregoing (i) the negotiation, tendering and completion of contracts for the supply of goods and services and (ii) the provision of endorsed product ranges..... subject to consent being obtained from Joint Committee”

The Council contributes an annual sum to the ABC which is based on the population of East Ayrshire and in terms of the Minute of Agreement equates to 5.33% of the total ABC annual requisition. The East Ayrshire contribution for 2004/2005 was £34500.

3.2 Procurement Organisational Change

The Procurement Strategy represents an ambitious enhancement to the Council's procurement function. The achievement of the strategy's priorities will require consideration to be given to possible organisational changes to support the delivery of the strategy.

The adoption of this Corporate Procurement Strategy will involve a change in the manner in which the Council undertakes its procurement. In particular, it will involve a greater degree of collaboration between Departments, consideration of long term planning, budget setting and recognition that procurement decisions taken by one Department may have knock-on effects for the whole Council.

3.2.1 Corporate Procurement Section

The Council's Corporate Procurement Section currently comprises 4 officers, three of whom procure strategic contracts and one officer who maintains the All-Ayrshire Approved List of Contractors, keeps the register of all contracts formally awarded and audits the client function post-contract. As such, the capacity to develop and gain the benefits from effective procurement are limited.

In particular, the current capacity of the section restricts the ability of staff to focus on areas such as supplier management, quality management, training, monitoring off-contract spend, monitoring aggregation spend throughout the procurement processes. Success in moving forward these strategic areas will be achieved through establishing a strong Procurement ethos within the authority, through the establishment of a strong and empowered Corporate Procurement Section within the Department of Corporate Support.

The key starting point in establishing a strong Procurement ethos is to build on the existing staff currently involved in the procurement process. This would involve consolidating the role of the Corporate Procurement Section and the development and continual review of the current Corporate Procurement Protocol and Standing Orders.

The key responsibilities of the Corporate Procurement Section as a whole would be as follows:

- Managing Supplier Relationships
- Input to and Support of Policies and Procedures
- Monitoring of Supplier Performance
- Strategic Sourcing
- Performance Measurement of Procurements
- Training and Cross Departmental Collaboration

3.2.2 Departmental Procurement Liaison Officers

In addition, the Council should establish a formal networking of individuals from across all Departments who can be appropriately trained in the concepts of procurement, who will liaise with the Corporate Procurement Section and act as "procurement liaison officers" for their particular Department.

The respective procurement liaison officer would remain Department-based, but would have responsibility for implementing the recommendations of the Corporate Procurement Section to ensure that supplier management, best practice and a corporate approach are adopted across the Council.

The departmental procurement liaison officers will ideally be currently involved in the procurement process and would be provided with appropriate training and support.

The role of the Corporate Procurement Section would be not only to procure strategic contracts but would also ensure that best practice and compliance with procurement law is strictly adhered to, with particular regards to the EU Aggregation issues.

3.2.3 Authorities Buying Consortium

An additional logical step in this process which is recognised as essential to any change management would be the review and assessment of the Council's continuing membership of the ABC with a view to ensuring that all use made of abc at all times represents Best Value for the Council. It is recognised that such review will not be without difficulty but as indicated above would be an essential component in the consideration of future procurement developments within the Council.

3.3 Procurement Spending

The Council's total budgeting gross expenditure for 2004/2005 is approximately as shown below:

	£M
Total Budget	368
<u>Less</u> Staff Costs	<u>113</u>
	255
<u>Less</u> Non-Procurement Spend	<u>155</u>
TOTAL PROCUREMENT SPEND	<u>100</u>

When salaries and wage costs are deducted from the total Council budget, we are left with a major amount that is all spent, in one way or another, on external procurements.

All Council departments are dependant on external suppliers of goods, works and services. In the year 2004/2005 it is estimated that £100 Million of the Council's annual budget will be spent on goods, works and services procured from contractors, suppliers, service providers, consultants, organisations and individuals.

This "bought-in" figure can be further broken down as follows:-

- Supplies £13,671,000
- Services £34,492,000
- Works £52,872,000

3.4 Spending Analysis

Current systems and procedures make it extremely difficult to accurately determine the exact nature and scope of the Council's purchasing activities and the extent of "off contract" purchasing.

Based on analysis of the Council's payment system in 2003/2004, approximately 150,000 purchase orders totalling approximately £100M were made to 8000 suppliers/contractors/providers, with the top twenty firms being accountable for approximately 34% of the entire procurement spend.

3.5 Service Activity

Current Council activity in respect of contracts which are procured within the Council are shown below.

Service Unit	Brief Description of Spend Type
Housing Services	Capital programme, housing repairs, specialist housing maintenance services, supporting people services, supply of furniture & electrical goods, starter packs, rent arrears recovery services, consultancy services etc.
Building & Works	General building materials and major components, plant hire, plant purchase, vehicle hire and purchase, contracting out works etc.
Protective Services	Waste Disposal contracts, recycling contracts, vehicle procurement, contaminated land services, etc.
Sport & Leisure Services	Grounds maintenance, sport equipment, pantomimes, SLA etc.
Economic Development	Consultancy contracts, etc.
Property Services	Property repairs, specialist building maintenance services, etc.
Technical Services	Capital programme & minor works, engineering consultancy services, asbestos surveying sampling & analysis services, asbestos removal services, site investigation services etc.
Roads & Transportation Services	Highway works contracts, highway maintenance contracts, lighting maintenance contracts, supply of blacktop, grit and vehicle parts, hire and purchase of vehicles, etc.
Financial Services	Sheriff Officer Services, financial services, insurance services, leasing services etc.
IT Services	IT hardware contracts, IT maintenance contracts, software contracts, specialist printing services, etc.
Administrative & Legal Services	Photocopier contracts,
Public Relations Services	Photographic services, printing services, advertising agency contract, etc.
Social Work Services	Care at home services, supported living services, transportation services, etc.
Educational Services	PPP consultancy services, PPP main contract, special needs transportation services, etc.

It is considered that there is scope to achieve cost savings and efficiencies through an increased use of the Central Procurement Function either where no formal contracts are in place, or where contracts are in place but are not being fully utilised. It should also be considered if the Council is deriving best value from the current arrangements with ABC, or if some contracts would be better tendered internally, or in collaboration with other authorities.

4.0 PRIORITIES FOR FURTHER ACTION

This part of the strategy draws together the work currently being undertaken to develop procurement across the Council and identify priorities for future action.

4.1 Background

Since the inception of East Ayrshire Council, the Procurement Section and Internal Audit Section have examined the procurement practices undertaken by the Council and have highlighted a number of areas of concern; in particular:-

- A general lack of co-ordinated procurements across all Departments
- Most current procurement systems rely on manual processes and differ across all Departments.
- Opportunities for aggregation of demand are not being fully realised and supplier selection procedures differ from Department to Department.
- There is a need to develop and deploy a Procurement Strategy and establish Procurement as a core business discipline in the authority.
- Although some collaborative procurement projects have been undertaken, there would appear to be scope to expand this approach further.
- Systems of performance management and supplier monitoring require to be established and developed.
- Systems of performance monitoring of clients in their post-award administration of contracts require to be reinforced.

4.2 Achievements to Date

Work is continually ongoing to develop and improve the Council's procurement operations. Some examples of innovation and success are:

- **Council's Web-Based Opportunities** - An electronic source for tendering opportunities with the Council has been established through the Council's website, although this requires to be further developed. The facility provides prospective tenders with:
 - details of potential future tendering opportunities in relation to strategic procurements
 - the ability to lodge early interest in forthcoming strategic tenders
- **E-Notices** – For three years all of strategic procurement projects have been electronically Noticed using the *Business Information Publication's* (BIP) web-based system, which places EU Notices in the *Official Journal of the European Union* and non-EU Notices in the BIP Local Government Opportunities tender web-site and magazine. This also provides the Council with an audit trail of all Tender and Award Notices placed through the system.
- **E-Tendering** - A pilot project has been undertaken with respect to the use of *Business Information Publication's* e-Tendering solution known as Vault. This pilot comprised of 4 dummy tendering exercises with both internal officers across the Council as well as the private sector. The project is soon to be evaluated and it is anticipated that a programme of roll out to full implementation will be identified which will derive significant long-term benefits, both in terms of savings in procurement costs and in the reduced tendering timetable allowed by EU when using electronic tendering systems.
- **Partnerships** - The opportunity to benefit from partnership working is clearly evidenced from recent long-term partner agreements for Supported Living Services, whereby a formal Framework of Carers is now in place, with rates and performance criteria whereby the best-value Carer is given first option on each care commission. These agreements not only provide current operational and financial monitoring benefits, they also provide for future continuous improvement and are reviewed annually.

- **Collaboration in Procurements** – Collaborative procurements have already been undertaken for joint projects such as the Refuse Collection Units carried out by the Corporate Procurement Section on behalf of the four Councils in the Waste Strategy Plan and other collaborations have taken place with the Primary Care Trust. Due to the complexities of current contracts (varying specifications, conditions of contract, end dates etc.) in place across the Councils, due consideration requires to be given to future collaborations. However, such consideration will be taken into account at the risk assessment stage of each procurement project and where collaborative procurement arrangements are deemed appropriate partners will be sought.
- **E-Purchasing / E-Invoicing & E-Payment** – These issues are currently under review, with the development of the functionality of the SAP system being actively considered, along with continued developments in respect of e-procurement generally including participation in the Scottish Executive sponsored e-Procurement Scotland project.
- **Contract Compliance** – An expanded role of the Corporate Procurement Section to include a central contract monitoring role should be considered. This would be used to help facilitate and ensure “on-contract” purchasing by all Departments and service units. It is envisaged that the scope of the monitoring role would be initially restricted to major spends such as photo copiers and the like, although this could be expanded to monitor non-contract spend. Central purchasing could also be included for major value procurements.
- **Financial Savings** - Re-packaging and consolidation of contracts have derived significant financial savings. In particular, tenders for void property security, refuse collection bins, disposal of fridges & freezers and property maintenance have realised significant financial savings.
- **Adoption of Council Documentation** – Procurement documentation has been made available to various other authorities on a regular basis, including via the SOPO web site and by email. The specification for Headstone Maintenance was adopted by the National Association of Monumental Masons and the recent collaborative procurement for refuse containers was requested by the Scottish Executive.
- **Local Economy** - The procurement arrangements have been successful in generating business for local companies i.e. based on analysis of **193** tenders issued between January 2003 and August 2004, **83** local (Ayrshire) companies were successful in winning contracts.

4.3 Priority Actions

The above provides examples of a range of successes that have been achieved to date. There is however significant scope to build further on these successes. In particular, the following are considered as key priority actions for continuous improvement:

- To promote and establish the Corporate Procurement Section's role in spreading good practice across the organisation and improve the overall level of excellence and to raise the sections profile as procurers of strategic contracts and a source of professional procurement advice to be used as a "first stop" by all Departments.
- To provide the corporate leadership and support for the implementation of the strategy and the promotion and enforcement of the Council's procurement aims.
- Further investigation of the opportunities to aggregate and centralise the procurement of common items.
- Where appropriate, to encourage local businesses to compete for works, services and supplies contracts by closer liaison between the Corporate Procurement Section and Economic Development Division.
- To identify opportunities for Community Benefits in Procurement as part of the Scottish Executive Pilot Programme.
- To continue to evaluate and review the emerging e-solutions for compliance with the e-governance agenda, including the implementation of a programme for e-tendering, e-purchasing, e-invoicing and e-payment to reduce purchasing costs.
- To constantly review contract documentation to promote workforce, environmental and equality objectives.
- To monitor, by ongoing review, the adherence to Contract conditions by both the Client and the Service Provider, thereby ensuring the delivery of a Best Value and Value for Money Service to the Council.
- Clients to review the extension options on existing contracts, in good time to commence replacement contracts where extensions are not to be invoked. Appendix A lists all the current term contracts along with their termination dates and any extension options available to the Council.
- To review the Council's continuing membership of the ABC which would be facilitated by detailed analysis of the Council's use of current ABC procured contracts against benchmarked comparisons.
- To review the Standing Orders Relating to Contracts and Procurement Protocol generally and to take into consideration the impact of the ALCATEL judgement on the tail-end of procurement programmes, whereby the formal award of contract will require to be delayed for 15 days to allow unsuccessful tenderers to challenge the forthcoming award of contract. In addition, the requirement to consider adequate Noticing of tenders in the public domain also requires to be included in the review.

As key priorities of the strategy these will be progressed during the first 12 months of the strategy. Details of these and further planned actions over the 3 year strategy period are outlined in the Action Plan to follow, further detailed in Appendix B that shows the list of anticipated contracts to be procured and highlights their importance in terms of "critical", "urgent" or "normal".

5. PROCUREMENT STRATEGY ACTION PLAN

5.1 Procurement Objectives

The following objectives have been identified to take forward procurement within the Council and support the achievement of the procurement vision.

- **Best Value and Continuous Improvement** - To achieve best value on all procured goods, works and services, reduce the cost of the procurement process and ensure continuous improvement.
- **Modernising Procurement** - To develop the use and scope of IT to reduce the cost, and improve the efficiency and effectiveness of the procurement and purchasing processes.
- **Competition** – Ensure that the inclusion of competition is considered for all procurement activities as a means to improve performance, including direct and indirect competition.
- **Social, Economic and Environmental Wellbeing** - To promote procurement practices and policies that contribute to the Councils priorities on quality, equality, access, partnership, sustainability, regeneration and workforce issues.
- **Professional Standards and Best Practice** - To ensure procurement is undertaken in accordance with the highest professional standards and probity including the project management and monitoring of contracts.
- **Training and Development** - To ensure a structured approach to education, training and development for all staff across the Council with procurement responsibilities.
- **Contract Management & Monitoring** - To develop a range of procurement related management information to ensure effective management and monitoring of contracts. This will include a robust financial monitoring system to track “off-contract” spend and address the EU Aggregation issue.
- **Mixed Supplier Economy** - To develop a mixed economy of suppliers and promote partnership arrangements, where appropriate.
- **Procurement Organisation** - To ensure that procurement resources are developed and deployed effectively, procurement requires to be embedded in the corporate and Departmental planning process with systems in place to deliver the procurement priorities identified in this strategy.

5.2 The Action Plan attached is structured to address the above key objectives. It is intended that following consultation on the strategy and the action plan, key performance measures will be developed linked to each of the above objectives. These performance measures will form part of the final strategy document.

5.3 Timescales and responsibilities will also be developed as part of the consultation process, with priorities and resources clearly identified in the Action Plan.

5.4 Appendix C shows the proposed structure of the procurement organisation within the Council.

End

PROCUREMENT ACTION PLAN

BEST VALUE, VALUE FOR MONEY & CONTINUOUS IMPROVEMENT

Key Objective:

To achieve best value on all procured goods, works and services and to seek reductions in cost/improvements in service by way of improved procurement process and continuous improvement.

ACTIONS	RESPONSIBILITY	IMPLEMENTATION DATES
To carry out a review of all council expenditure to maximise the value of on-contract expenditure	Procurement Section Finance Internal Audit	December 2005
To investigate further opportunities to aggregate purchases across the Council and with potential partners	Procurement Section	November 2005 & Ongoing
To review and evaluate the Council's continuing membership of the ABC	Procurement Section Finance Senior Management	Ongoing
To further rationalise the supplier base, whilst remaining sensitive to local sourcing issues	Procurement Section	November 2005 & Ongoing
To identify opportunities for partnering and longer-term contract arrangements	Procurement Section	Initial review by April 2006
Develop a rolling programme of procurement reviews	Procurement Section Procurement Working Group	Ongoing
To review supplier selection criteria and establish a consistent approach to its application	Procurement Section	Initial review by November 2005 and ongoing thereafter
To review the current means of tender advertising to identify more effective and cost-effective approaches (i.e. expand the EAC web site)	Procurement Section IT	Partially complete (i.e. strategic projects only) November 2005 for remainder
Establish call-off contracts and Framework Agreements for Departments to use on repeat purchases as appropriate	Procurement Section Procurement Working Group	2005 & Ongoing
Review Standing Orders & Procurement Protocol	Procurement Working Group	June 2005 & Ongoing
Develop corporate guidance on when and how to carry out "best value procurement"	Procurement Working Group	November 2005 & Ongoing

MODERNISING PROCUREMENT

Key Objective:

To develop the use and scope of IT, to reduce the cost, and improve the efficiency and effectiveness of the procurement process for the Council, its suppliers and contractors.

The Council will increase the use of simple forms of e-procurement for transactions that are low value, low risk and high volume. A detailed e-procurement strategy and implementation plan will support the Corporate Procurement Strategy.

ACTIONS	RESPONSIBILITY	IMPLEMENTATION DATES
To develop an e-Procurement Strategy	Senior Managers Procurement Working Group	June 2005
To further develop the Council's web-based tender Noticing opportunities facility to include all contracts (including works)	Procurement Working Group	November 2005
To extend the use of e-Noticing across the Council	Procurement Working Group	November 2005
To appraise the Vault e-tendering Pilot and implement if appropriate on a roll-out basis	Procurement Section	June 2005
To consider on-line ordering through Council's intranet using either the SAP system or e-procurement Scotland solution or other e-solutions	Senior Managers Finance Section	June 2005
To development the implementation of the Council's new financial management system in line with current e-procurement work	Finance Section	2005 – 2007
To reduce the volume of invoices processed via the development of integrated purchase card transactions	Finance Section	2005 – 2007

CONTRACT MANAGEMENT & MONITORING

Key Objective:

To develop a range of procurement related management information to ensure effective management of contracts

ACTIONS	RESPONSIBILITY	IMPLEMENTATION DATES
Integrate a suite of procurement management information reporting within the Council's financial management system to address the EU Aggregation issue and to monitor "off-contract" spend by whom and for what	Finance Section Procurement Section (Contract Monitoring)	April 2005
Consider the use of e-procurement system (Purchase Cards) and intranet to identify who is purchasing what, from where and how much of that spend is "off contract"	Finance Section	2005 - 2007
Develop performance management system and framework to monitor supplier/contractor/client performance	Procurement Section (Contract Monitoring)	November 2005
Develop a standard form of procurement KPI's and reporting framework	Procurement Working Group	March 2006
Set targets for procurement activity in key areas including savings	Senior Managers	April 2005
Monitoring of performance targets for procurement	Senior Managers	April 2005
Produce regular report to Corporate Management Team / Relevant Committee detailing progress against the Procurement Strategy Action Plan	Procurement Section (Contract Monitoring)	Ongoing
Carry out regular reviews of the Strategy, Standing Orders, Procurement Protocol etc	Procurement Working Group	Ongoing
To develop a corporate standard documentation approach to Procurement across the Council – to include educational establishments	Senior Managers Procurement Section	November 2005 & Ongoing

PROFESSIONAL STANDARDS & BEST PRACTICE

Key Objective:

To ensure procurement is undertaken in accordance with the highest professional standards and probity including the project management of contracts.

ACTIONS	RESPONSIBILITY	IMPLEMENTATION DATES
To develop and implement a set of standard tender evaluation models, including price, quality criteria and weightings for each type of project	Procurement Working Group	March 2006
To review the Standing Orders to ensure they reflect EU Legislation, evaluation criteria, frameworks and partnership approaches	Legal Services	June 2005
Each service to identify an officer who will act as the departments' "Liaison Officer" who will require to have current "hands-on" experience and responsibility for the Department's procurements. These officers will liaise with the Corporate Procurement Section on a day-to-day operational basis.	Senior Managers	January 2005
Establish a standard set of contract terms and conditions for each type of project, although these will also include a degree of flexibility.	Procurement Working Group	November 2005 & Ongoing
Consider the Government's "rethinking construction" agenda and apply appropriate principles to the Council's construction related procurements	Development & Property Services Procurement Section Neighbourhood Services	Ongoing
Pilot innovative forms of building and civil engineering contracts/partnership/frameworks for major component renewals	Development & Property Services Procurement Section	As opportunities arise
To implement and develop the Corporate Procurement Protocol to procurement across the Council	Procurement Working Group	Immediate & Ongoing
Prepare a departmental "Procurement Helpbook" to provide clear guidance on best practice, Council's obligations etc	Procurement Working Group Procurement Section	November 2005
Prepare a Council policy statement on ethical procurement	Procurement Working Group	November 2005

TRAINING AND DEVELOPMENT

Key Objective:

To ensure a structured approach to education, training and development for all staff across the Council with procurement responsibilities.

ACTIONS	RESPONSIBILITY	IMPLEMENTATION DATES
Develop appropriate range of training programmes for Members and DPLO's and all other staff	Personnel Service Corporate Training Unit	June 2005
Departments to ensure that all staff who manage contracts have received adequate contract management training.	Senior Managers	2005 & Ongoing
Core procurement competencies to be identified and developed into job descriptions & job outlines	Personnel Service Corporate Training Unit	March 2006
Prepare a user guide to procurement to provide clear, user-friendly guidance on best practice and the Council's processes	Procurement Working Group	Completed & circulated (Idiot Guide)
Establish Departmental "Liaison Officer Procurement Group" of staff currently involved in procurement to network and share/develop knowledge and best practice on an operational basis	Senior Managers Procurement Working Group	March 2005 & Ongoing

SOCIAL, ECONOMIC & ENVIRONMENTAL WELL-BEING

Key Objective:

To promote procurement practices and policies that contribute to the Council's priorities on equality, sustainability, regeneration and workforce issues.

ACTIONS	RESPONSIBILITY	IMPLEMENTATION DATES
To develop a range of clear procurement objectives and targets which will contribute to the Council's environmental objectives	Legal Procurement Section	November 2005
Include workforce, sustainability, diversity and equality contract clauses in a "standard procurement document"	Legal Procurement Section	March 2005
Racial and gender equality matters to be considered and addressed in contract documents, where appropriate	Legal Procurement Section	March 2005
Adopt Government guidance on workforce terms and conditions in procurement	Legal Procurement Section	March 2005
Determine appropriate tender evaluation criteria to cover equality, social, environmental and local business matters	Legal Procurement Section	November 2005

DRAFT

MIXED SUPPLIER ECONOMY

Key Objective:

To develop a mixed economy of suppliers and promote partnership arrangements, where appropriate.

ACTIONS	RESPONSIBILITY	IMPLEMENTATION DATES
Option Appraisals and Risk Assessment stages always to include deliberation on the impact on local community and small business when considering packaging options	Procurement Working Group	April 2005 & Ongoing
Investigate via Economic Development the opportunities for building the capacity of SME's to tender for Council contracts	Development & Property Services	June 2005 & Ongoing
Consider holding an annual supplier event (current contractors and potential contractors)	Development & Property Services Corporate Support / procurement / PR etc	2005 & Annually
Identify further opportunities for partnership procurement with other local authorities and others	Senior Managers	Ongoing

PROCUREMENT ORGANISATION

Key Objective:

To ensure that procurement resources are deployed effectively; that procurement is embedded in the corporate and service planning process and that systems are in place to deliver the procurement priorities identified in this strategy.

ACTIONS	RESPONSIBILITY	IMPLEMENTATION DATES
To reconvene regular meetings of the Procurement Working Group attended by all departments with officers of senior rank for the purpose of making strategic procurement decisions	Senior Managers	As required
Development of Contract Monitoring/Compliance unit within the Corporate Procurement Section to undertake monitoring to ensure consistency in approach to procurement, to track off-contract" spend and to address the EU Aggregation issue	Head of Administrative & Legal Services	April 2005
Establish a network of Departmental Procurement Liaison Officers throughout the Departments who will share best practice on a day-to-day basis	Senior Managers	January 2005 & Ongoing
Promote the Procurement Strategy through briefings, training and other communication methods	Senior Managers	January 2005 & Ongoing
Ensure that the Procurement Strategy and its policies are considered in Service Plans and to review the strategy on an annual basis	Senior Managers	November 2005 & Ongoing
Development of a consultative approach to all major procurement exercises to support Departments undertaking procurements.	Senior Managers	November 2005 & Ongoing

End

LIST OF CURRENT TERM CONTRACTS PROCURED CENTRALLY

Ref	Name of Contract	Contractor / Service Provider / Supplier	Termination Date & Any Optional Extensions
01	Multi-Trade Property Portfolio Building Maintenance – Council Wide	Building & Works	30 th June 2009 + 1 + 1
02	Void Property Security - Council Wide	Safe Estates Services Ltd	30 th June 2005 + 1
03	Non-Domestic Lift Maintenance Term Contract - Council Wide	Thyssen Lifts and Escalators Limited	30 th June 2005 + 1
04	Hand-Held Fire Fighting Equipment Maintenance Term Contract - Council Wide	Chubb Fire Limited	30 th June 2005 + 1
05	Manned Security Term Contract - Council Wide	Trustcare Security Ltd	30 th June 2005 + 1
06	Pro-Active Fire Alarm System Maintenance – Council Wide	M & S Fire Protection Ltd	30 th June 2005 + 1
07	Pro-Active CCTV Systems Maintenance Term Contract	Fortress Security Alarms Ltd	30 th June 2005 + 1
08	Water Testing Services	Bailey Maintenance Services	30 th June 2005 + 1
09	Asbestos Surveys, Sampling & Analysis Contract (currently being tendered)	Resource and Environmental Consultants	9 th October 2004
10	Asbestos Removal & Disposal Contract	Rhodar Ltd	30 th June 2005
11	Swimming Pool Pump & Filter Maintenance Contract	MITIE Engineering Maintenance Ltd	30 th June 2005 + 1
12	Air Conditioning Plant Maintenance (currently being tendered)	Integral (Formerly)	Terminated – To Be Tendered
13	Site Investigation Service	Soil Mechanics	30 th June 2007 + 1 + 1
14	Supply & Installation of Street Signs	National Signs Co	31 st March 2005 + 1
15	Contaminated Land Support Services	Enviros	3 rd August 2006 + 1 + 1 + 1
16	Disposal of Fridges & Freezers	M Baker	31 st March 2006 + 1 + 1
17	Disposal of Surplus IT Equipment Service	Access North Ayr	31 st October 2006 + 3 + 3
18	Desktop Support Service	Computer Associates	30 th March 2009 + 3
19	Supply of Furniture & White Goods Service Framework	The Furnishing Services Ltd + The Premier Furnishing Company	30 th March 2005 + 1
20	Supply of Tenant Starter Packs	AMH Direct Ltd	14 th April 2005 + 1
21	Preferred Energy Supply Partnership	Scottish & Southern Energy plc	30 th June 2005
22	Sheriff Officer Services	George Walker & Co	30 th March 2007 + 1 + 1
23	Former Tenant Rent Arrears Recovery Service	Stirling Park	30 th March 2007 + 1 + 1
24	M&E Engineering Consultancy Service Framework	Various depending on value	11 th February 2005 + 1 + 1
25	Structural Engineering Consultancy Service Framework	Various depending on value	11 th February 2005 + 1 + 1
26	Waste Disposal Services	Barry Environmental Ltd	30 th April 2005 + 1
27	Scaffolding Services Framework (re-tender imminent)	Various depending on type & hire term	Terminated – To Be Tendered
28	Supply of Building Materials	Various depending on type	30 th March 2005 + 1
29	Vehicle Hire Framework (re-tender imminent)	Various depending on type & hire term	31 st March 2005
30	Special Needs Taxi Services	Various depending on type & location	31 st July 2005
31	Special Needs Bus Services	Various depending on type & location	31 st July 2005 + 1
32	24 Hour Support to Adults with Learning Difficulties Service	Cornerstone Community Care	30 th November 2004 + 1 + 1 + 1
33	Shower Installations (Aids & Adaptations)	Building & Works	Ongoing
34	Installation of External Metal Modular Ramps (Aids & Adaptations)	William P Whiland & Son Limited	30 th June 2009 + 1 + 1
35	Installation of Domestic Stair Lifts (Aids & Adaptations) (to be re-tendered)	Various dependant upon type	30 th June 2004 but Ongoing
36	Maintenance of Domestic Stair Lifts (Aids & Adaptations)	Various dependant upon type	30 th June 2004 but Ongoing
37	Alternative Educational & Vocational Training Service	Rathbone Training	17 th June 2005 + 1 + 1
38	Photographic Services Framework	Various depending upon type & location	31 st March 2005 + 1 + 1 + 1
39	Supported Living Services Framework	Various (15 Providers)	30 th June 2008
40	Vehicle Procurement Framework Contract	Various	July 2007 + 1

NOTE: The above list excludes contracts procured independently by departments or by ABC.

End

APPENDIX B

ANTICIPATED LIST OF CONTRACTS TO BE CONSIDERED FOR TENDERING 2004-2006

Critical	Urgent	Normal
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Ref	Project Title	Importance	Remarks
1	Framework for Supply & Supply and Installation of uPVC Windows		
2	Supply contract for uPVC Doors		
3	Supply contract for Kitchen Units		
4	Supply contract for Condensing Domestic Boilers		
5	Supply contract for Radiator Kits		
6	Supply contract for Sanitary Ware		
7	Supply contract for Blacktop		
8	Framework for Vehicle Hire		
9	Framework for Small Plant Hire		
10	Education Taxi (Special Needs) Contract		
11	Education Bus (Special Needs) Contract		
12	Waste Disposal Contract		
13	Frameworks for Installation of Major Building Components		
14	Framework for Asbestos Surveying, Sampling, Analysis and air Monitoring		
15	Care & Repair Service Contract		
16	Initiative Area Regeneration (2 Areas) Partnering Contract		
17	Vehicle Procurement Contracts (Various)		
18	Air Conditioning Plant Maintenance Contract		
19	Upgrading of Air Conditioning Plant (Data Centre – London Rd HQ)		
20	Void Property Security - Council Wide		
21	Non-Domestic Lift Maintenance Term Contract		
22	Hand-Held Fire Fighting Equipment Maintenance Term Contract		
23	Manned Security Term Contract		
24	Pro-Active Fire Alarm System Maintenance		
25	Pro-Active CCTV Systems Maintenance Term Contract		
26	Water Testing Services		
27	Swimming Pool Pump & Filter Maintenance Contract		
28	Asbestos Removal & Disposal Contract		
29	Supply & Installation of Street Signs		
30	Supply of Furniture & White Goods Service		
31	Supply of Tenant Starter Packs		
32	Preferred Energy Supply Partnership		
33	Scaffolding Services Framework		
34	Framework for the Supply of Building Materials		
35	24 Hour Support to Adults with Learning Difficulties Service		

APPENDIX B (Continued)

ANTICIPATED LIST OF CONTRACTS TO BE CONSIDERED FOR TENDERING 2004-2006

Critical	Urgent	Normal	
Ref	Project Title	Rank of Importance	Remarks
36	Installation of Domestic Stair Lifts (Aids & Adaptations)		DRAFT
37	Maintenance of Domestic Stair Lifts (Aids & Adaptations)		
38	Alternative Educational & Vocational Training Service		
39	Photographic Services Framework		
40	Supported Living Services Framework (Annual Mini-Tenders)		
41	Supporting People Services		
42	Supply & Hire of Photo-Copiers		
43	Non Statutory Audit Services		
44	Advertising Agency Services		
45	Intruder Alarm Maintenance Contract		
46	Emergency Lighting Maintenance Contract		
47	PPP Supply of Furniture Contract		
48	PPP Decanting and Temporary Storage Contract		
49	Supply of Franking Machines		
50	Management Consultancy Services		
51	ITC Cabling Installation Framework Contract		
52	Water Dispensers		
53	Supply of Grit		
54	Corporate Disposal Framework Contract (cans, furniture, paper, books etc.)		
55	Supply & Installation of MRF Plant		
56	Supply of Lighting Columns		
57	Mobile Tracking System		
58	Mobile Data Transfer System		
59	Supply of Library Books		
60	Telephony Services (land & mobile)		
61	Social Work Transportation Services		

PROPOSED PROCUREMENT ORGANISATIONAL STRUCTURE

