

CORE OFFER BUDGET FOR PROCUREMENT

WHY DOES THE COUNCIL HAVE TO PROVIDE THIS SERVICE AND WHAT DOES IT NEED TO COVER?

The Council each year spends approximately £72m on buying goods and services.

Strategic oversight of compliance with EU procurement regulations, UK public contract rules, transparency requirements and the Council's internal contracting and procurement processes including compliance with the Contract Procedure Rules (part of the Council's constitution).

Supporting the work of the Procurement Board in overseeing procurement decision making. Producing and updating the annual procurement plan and updates. Reporting to Cabinet and members as required by the Contract Procedure Rules.

Taking responsibility for procurement activity on corporate contracts that are non-departmental specific.(which have no clear internal client)

Providing a single point of reference for membership of the NEPO (North East Procurement Organisation). This enables access NEPO frameworks and also influence NEPO led procurement decision making.

VALUE FOR MONEY

The Council has a best value duty (Local Government Act 1999) to secure continuous improvement in the way in which functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

The procurement team helped achieve efficiencies (below budget +/- historical spend) alongside robust contracting of in excess of £1.43m (for whole contract terms/years) during the financial year 2014-15.

DOES THIS DIFFER FROM THE CURRENT SERVICE?

In addition to the core offer, procurement staff support officers from other parts of the Council in dealing with procurements. The support varies as some council staff have greater experience of procurement and need less technical support, but in other areas there is no or very limited experience.

Members of the Procurement Team have the category knowledge to help in identifying appropriate national and regional frameworks that can be used to support value for money contracting but avoiding the need for a time consuming procurement process to be run by the Council.

The Procurement Team carry out spend analysis to seek to identify the potential for achieving savings by having a unified approach to contracting and procurement for particular categories of spend rather than a variety of individual contracting decisions across the Council offering less value for money.

The Team carry out strategic planning of contracts to ensure there is a proper review of contracts that are coming up for expiry and sufficient time and resource to re-procure.

Ensuring a consistent approach is taken and that standardised documents are used across the Council.

Assisting the Council to achieve efficiencies and value for money in its contracting function (eg that the right balance in price/quality is included in contracts appropriate to what is being procured).

WHAT IS THE CORE BUDGET MADE UP OF?

2019/20 - £71,591

£35,210	27% of Procurement Team+ £36,381 overheads – The remaining 73% is charged as variable overheads to services and will reduce in line with service reductions.
£36,381	Overheads