

portal. This increase is considered appropriate for the Council although it is not uncommon for local authorities to have higher thresholds such as £100,000.

3. Procurement Action Plan 2017/18

- 3.1 Over the last two years, in summary, the priority for the Council in terms of procurement has been largely to secure compliance with legal requirements when letting contracts. In terms of moving forward, it is proposed that attention is now directed by the procurement officers to contract management to ensure that services are always effectively monitored to secure delivery of the best value services. This has been the subject of one of the topics covered within the recent training and has highlighted the benefits of developing relevant corporate guidance based upon internal and external best practice and external guidance. Contract management information, including contract performance indicators, on market best practice has been researched and support from the Audit Shared Service is to be provided towards the end of 2017.
- 3.2 A further procurement plan priority for the Council is to consolidate corporate spend on areas including agency, consultancy, printing, postage and marketing spend. In respect to agency, currently the average annual spend is £860,566, spent by the Council on such services over 5 years. It is hoped that significant savings in region of 5 – 10%, £43,000 - £86,000 can be made by using an existing framework agreement, the procurement team having been working with Human Resources to assess the merit of using such. Meetings have been held with framework suppliers to determine which type of service will provide the best value option for the Council. In the meantime, the Council will continue to use consultants procured through service areas on an ad hoc basis when necessary and make use of framework agreements as appropriate, details of which are now available on the Council's Hub.
- 3.3 In respect to corporate spending in 2016/17 on print, postage and marketing currently such services cost the Council in the region of £572,000. Work has started on producing an options appraisal to identify potential and significant areas of savings by consolidating spending across these areas.
- 3.4 Other areas of work involved in overseeing Council procurement, which are being undertaken in 2017/18 are consistent with the LGA's National Procurement Strategy (NPS) and also the Council's own [procurement strategy](#). Having assessed the Council's procedures and practices in recent months against the NPS standards, it is reassuring that the actions which the Council has taken over the last two years and is proposing to undertake are consistent with the themes promoted by the NPS, namely that in effective procurement, local authorities should (i) secure savings (ii) support local economies (iii) provide leadership and (iv) promote service modernisation. The following further examples of the work which is continuing to be undertaken by the procurement officers, also illustrate this.
- 3.5 The Council is working with the SW Procurement Board which comprises other authorities in the south west. In working with the Board the Council is extensively involved in identifying savings in the area of statutory advertising/notices which currently the Council spends approximately £15,000 per annum. In addition, work is being undertaken on 'social value', in accordance with the Council's duty to procure services in a manner which will improve the economic, social and environmental well being of the district.

- 3.6 As part of the team's annual spend analysis, in 2016/17 total expenditure on Council contracts amounted to approximately £35m. Of that approximately £12m were local suppliers (i.e. had GL post codes). Feedback from local suppliers has identified some benefit in advertising contract opportunities on the Council's website and directing particularly smaller local suppliers to the SW Portal which they may not be registered with. Further work is being undertaken with suppliers to seek to reduce where practical for both contracting parties, the number of invoices submitted to ensure that the corporate cost involved in for invoice processing (currently estimated to be account for approximately 0.3 hours per invoice of which there are 13040 per year) is reduced.