

**WELSH PURCHASING CONSORTIUM**

**MANAGEMENT BOARD**

**24<sup>th</sup> June, 2015**

**PROCUREMENT MANAGER'S PROGRESS REPORT**

**1 Introduction**

1.1 Following the decision of the Board to terminate funding for the current WPC model on 31<sup>st</sup> March 2016, this Progress Report to the Management Board by the WPC Procurement Manager is intended to update Members on progress to date, particularly in relation to contract transfer arrangements with the NPS and the reduced WPC Forward Work Programme.

**2 Forward Contract Plan**

2.1 Appendix A details the WPC Forward Contract Plan as agreed at the WPC Officers Group meeting held on 15th May 2015. There are currently 5 procurement projects scheduled for completion in the current financial year.

**3 Transfer of WPC Contracts to the NPS – Current Status**

3.1 The CMT continues to lead on operational transfer issues for the WPC to ensure, as far as possible, that member Authorities interests are protected and the risk of non compliance minimised.

3.2 At their last meeting the WPC Officers Group considered an updated document produced by the CMT, that listed firstly existing WPC Contracts (including Food) and their expiry dates in sequence and secondly WPC contracts that are migrating to the NPS. This reflects the current position and is enclosed for information as Appendix B

**4 CMT – Working Arrangements to 31<sup>st</sup> March 2016**

4.1 The Board will recall the discussion at the last meeting regarding CMT working arrangements to 31<sup>st</sup> March 2016 and the requirement to ensure that Officer resource is fully utilised. The WPC Officers Group subsequently considered the issues and adopted the plan enclosed (Appendix C )

4.2 The Board have previously agreed that supporting staff within the CMT until current contracts of employment end is of paramount importance and it is extremely pleasing to note that Tony Williams, Procurement Support Officer within the CMT has been successful in being appointed to the post of Category Manager in the Procurement Unit, City & County of Swansea and will take up this post on 20<sup>th</sup> July, 2015.

## **5 Food Contracts**

5.1 The Procurement Manager met with a senior Officer from the NPS with Vince Hanly on 6<sup>th</sup> May to discuss and clarify contract transfer arrangements and contract extension requirements particularly relating to the WPC Food portfolio.

5.2 The Officers were advised that the NPS was unlikely to have an operational Food Procurement Unit until Spring 2016 and felt that it was necessary to convene a WPC Food Category Group meeting to consider the options for the next 1-2 years.

5.3 The situation was reported to the WPC Officers Group on 15<sup>th</sup> May and much concern was expressed by colleagues arising from the uncertainty as to when new NPS arrangements would be in place especially as some of the existing WPC Food contracts are expiring in the next year.

5.4 The WPC Food Group met on 2<sup>nd</sup> June and agreed the following actions :-

- Vince Hanly (Chair) to obtain confirmation from Sue Moffat, NPS if possible regarding the way forward and that to advise that the WPC is looking to establish interim contracts on a 2 + 2 year basis until they are ready to onboard our contracts.
- WPC Procurement Manager to formally ask current Lead Authorities whether they would be prepared to carry on with the renewal process and be paid for this work via a levy based scheme. This would be an interim measure.

5.5 There has been much discussion since this meeting and the NPS are now actively discussing their options in terms of Food. The situation remains somewhat fluid and the Board will be verbally updated on these discussions.

**Rob Jones**  
**WPC Procurement Manager**

## Appendix A

### WPC Forward Contract Programme – Management Board 24<sup>th</sup> June 2015

Contract / Category Group	Lead Authority	Comments	Pre-Procurement Progress (RAG)	Procurement Process Status	Anticipated Contract Start Date	Procurement Progress (RAG)
<b>Building Materials, Environmental Services &amp; Highways</b>		<b>Pre OJEU</b>		<b>Tender Stage</b>		
Asphalt Macadam Drystone Aggregate and Ready Mix Concrete	Blaenau Gwent	BC complete but LA reviewing option to include lot for Ready Mix Concrete.	Green	Development of documentation, pricing schedules and evaluation process completed. OJEU published 4/6, tender return date 9/7.	01/09/2015	Green
Traffic Management & Highways Maintenance Products	Merthyr Tydfil		Green	Tender Process Progressing. Initial project group meeting held 3/6. Current arrangement extended for 6 months.	01/09/2015	Green
<b>Construction Services</b>						
Asbestos Removal Services	Swansea	Six month extension of current f/w reported to July OP.	Amber	Framework Awarded	18/05/2015	Green
<b>Corporate Needs &amp; Professional Services</b>						
Education & Curriculum Aids	Wrexham	Extension of terms to be requested for 6 months.	Amber	NPT has extended the current f/w terms to 31/7/15. New framework to be tendered on a regional lot basis. Draft documents developed.	01/08/2015	Green
Folding Mobile Catering Furniture	Pembrokeshire	Current arrangement terms extended for 5 months.	Green	OJEU Published 10/6, ITT return date 10/7.	01/08/2015	Green
<b>Fleet Group</b>						
<b>Food Group</b>						
The Supply & Distribution of Fresh Pasteurised Liquid Milk	Newport	LA requested information regarding issue of thirds.	Green	PIN Notice published 12/9. Confirmation of participation and lotting preferences requested from authorities however responses are very slow. New arrangement to include the supply of Nursery Milk. Two month extension of current arrangement terms to be requested.	01/06/2015	Green
<b>Social Care</b>						

## **Appendix A**

WPC Forward Contract Programme – Management Board 24<sup>th</sup> June 2015

## APPENDIX B

### Food Contracts

Contract Title	Contract End Date	Extension End Date	Annual Spend by Suppliers 2013/14 (£m)	Annual Spend recorded on Alito (£m)	Notes
Alcoholic Beverages	Jun-14	Jun-15	0.2	1.0	Unresolved
Fresh Pasteurised Milk	Mar-14	Jul-15	1.7	2.6	Additional extension to be agreed
Frozen Plated Meals	Aug-14	Aug-15	0.5	0.4	Awaiting revised proposal from NPS
Prepared Sandwiches & Sandwich Fillings	Jan-15	Jan-16	0.4	0.6	Awaiting revised proposal from NPS
Supply, Installation, removal and Disposal of heavy Canteen Equipmnet	Feb-15	Feb-16	0.3	0.9	Extension taken for 12.months only to Feb 2016. Decision needed from NPS
Supply of Soft Drinks, Crisps, Snacks & Confectionary	Mar-15	Mar-16	2.1	3.0	Awaiting revised proposal from NPS
Groceries Provisions & Frozen Foods	Apr-15	Apr-16	11.0	15.0	Awaiting revised proposal from NPS
Supply & Distribution of Bread Loaves, Rolls, Cakes & Associated Products	Jun-15	Jun-16	0.4	0.6	Awaiting revised proposal from NPS
Provison of Catering Disposables	Aug-15	Aug-16	0.2	0.5	NPS need to plan for new Arrangement - Go Live Sept 2016
Fresh Prepared & Unprepared Fruit, Veg & Salad	Mar-16	Feb-17	1.2	2.0	Awaiting revised proposal from NPS
Water coolers	Mar-16	Mar-17	0.2	0.2	Under Linked
Vending Machines and Stock	Apr-16	Apr-17	0.4	0.2	Awaiting revised proposal from NPS

<b>Supply of Fresh, Frozen and Cooked Meats</b>	Nov-16	Nov-17	1.0	1.9	Awaiting revised proposal from NPS
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<b>Contracts to Remain in LG</b>	<b>Contract End Date</b>	<b>Extension End Date</b>	<b>Annual Spend data reported by Suppliers 2013/14 (£m)</b>	<b>Estimated Annual Spend recorded on Alito (£m)</b>	<b>Notes</b>
<b>Asphalt Macadam &amp; Drystone Aggregates, Sand and RM Concrete</b>	Jun-14	Oct-14	2.3	4.3	New Contract to Start Sept 2015
<b>Readymix Concrete</b>	Jun-14	Oct-14	0.5	0.5	New Contract to Start Sept 2015
<b>Supply &amp; Maintenance of Mobile Catering Furniture</b>	Mar-15	Jun-15	–	0.2	Business case to be agreed.
<b>Educational Aids</b>	Aug-14	Jul-15	3.0	1.5	To Remain with LA's
<b>Highways Maint. &amp; Traffic Management Products</b>	Jan-15	Aug-15	1.4	5.0	
<b>Public Analyst Services</b>	Dec-14	Dec-15			To Remain with LA's
<b>Waste Bags</b>		Mar-16	–	0.2	To Remain with LA's
<b>Mechanical Sweeper Brushes</b>	Mar-15	Mar-16	0.21	1.8	Remains with LA's
<b>Re-locatable &amp; Modular Accommodation</b>	Sep-15	Aug-16	–	0.2	To Remain with LA's
<b>Summer Bedding Plants</b>	Mar-16	Mar-17	–	0.5	Pembroke to Renew./ Extend or not ( Options for Pembrokeshire)
<b>Glass Polycarbonate &amp; Double Glazed Units</b>	Mar-15	Mar-17	0.4	0.8	RCT Tendered. NPS will subsume into their FM portfolio going forward.
<b>Electrical Works Servicing &amp; Cyclical Maintenance</b>	Apr-15	Apr-19			
<b>Textile Collection Services</b>	Apr-16	No	4.0	6.0	New contract to commence

<b>Photovoltaics</b>			-	40	To Remain with LA's
<b>Looked After Children</b>	Apr-16	NA			

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## **Appendix C**

### **CMT Proposed Working Arrangements to 31<sup>st</sup> March 2016**

#### **1 Introduction**

1.1 Following a discussion at the WPC Officers meeting on 10<sup>th</sup> April, regarding the WPC Forward Work Programme to 31<sup>st</sup> March 2016, it was decided that the duties of the CMT should be expanded in light of the significantly reduced workload associated with these procurement projects.

#### **2 Opportunities**

2.1 The Group felt that operational assistance provided by the CMT should increasingly be made available to member Authorities to support procurement activities such as facilitating collaborative mini competitions.

2.2 To this end it is suggested that the following hierarchical approach be adopted to deliver this support :-

- Assisting with renewal of WPC Contracts
- Benchmarking and Comparison.
- Collaborative mini competitions from WPC Contracts
- Collaborative mini competitions from NPS Contracts
- Collaborative contracts for local government – non WPC
- Collaborative mini competitions from Consortia Arrangements – CCS, ESPO, YPO etc
- Assistance to individual Authority procurement projects

#### **3 Organisation**

3.1 It is proposed that assistance is generally allocated to CMT Officers by the WPC Procurement Manager on a regional basis, however it is accepted that a degree of pragmatism will be required from everyone given the geography of the WPC area. Line management responsibility within the CMT will remain with the WPC Procurement Manger.

3.2 Following the decision of the WPC Officers Group at the meeting, the lease on the CMT office accommodation will be terminated on 31<sup>st</sup> October, 2015. Member Authorities receiving support under the above process will be asked to provide desk space for CMT Officers when necessary, however it is accepted that home working offers a pragmatic alternative.

3.3 It is also envisaged that member Authorities will be asked to provide very basic meeting facilities for the CMT to use for management/coordination purposes on a periodic basis up to 31<sup>st</sup> March 2016.

**3.4 The ongoing role of the CMT to 31<sup>st</sup> March 2016 was discussed in general terms at the WPC Board meeting held on 29<sup>th</sup> April. The WPC Officers Group subsequently confirmed these revised arrangements at their meeting on 15<sup>th</sup> May 2015.**