

WELSH PURCHASING CONSORTIUM**MANAGEMENT BOARD****16th September, 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 31st 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, the reduced WPC Forward Work Programme and the "close down" arrangements.

2 WPC Efficiency calculation 2014/5

2.1 The exercise to calculate cashable and non cashable efficiencies derived from WPC Arrangements has been completed in respect of 2014/15. The allocations include figures provided by the Crown Commercial Services through Rhondda Cynon Taf Council who manage the WPC portfolio in respect of Electricity & Gas.

2.2 The allocations detailed below have been reported to Heads of Procurement within the WPC by the CMT.

<u>Authority</u>	<u>2014/15</u>		<u>Total</u>
	<u>Cashable</u>	<u>Non - Cashable</u>	
Cardiff CC	1357891	16000	1373891
Neath Port Talbot CBC	797016	16000	813016
Bridgend CBC	677486	16000	693486
Vale of Glamorgan Council	417550	16000	433550
Rhondda Cynon Taff CBC	1162928	29689	1192617
Merthyr Tydfil CBC	296108	18170	314278
Caerphilly CBC	867619	23749	891368
Swansea CC	1140040	16000	1156040
Newport CC	505386	8762	514148
Torfaen CBC	358021	19006	377027
Monmouthshire CC	247994	17806	265800
Blaenau Gwent CBC	350887	11201	362088
Pembrokeshire CC	661122	8000	669122
Powys CC	653600	29020	682620
Ceredigion CC	23346	16000	39346

Carmarthenshire CC	730464	16000	746464
Denbighshire CC	1810	16000	17810
Flintshire CC	3207	8000	11207
Wrexham CBC	12133	16000	28133
Total	10264608	317403	10582011

NB Heads of Procurement within each member Authority will determine the efficiencies that will be reported internally.

3 Forward Contract Plan

3.1 Appendix A details the WPC Forward Contract Plan as agreed at the WPC Officers Group meeting held on 4th September 2015. There are currently 5 procurement projects scheduled for completion in the current financial year.

4 Transfer of WPC Contracts to the NPS – Current Status

4.1 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 noncompliance minimised.

4.2 At their last meeting the WPC Officers Group considered an updated document produced by the CMT that detailed the current position status of WPC contracts that are migrating to the NPS and is enclosed for information as Appendix B. This also includes a list of those WPC Arrangements that are not transferring.

5 Food Contracts

5.1 Following the last Board meeting and WPC Officers Group meeting a letter was sent to the NPS detailing the WPC position in relation to the urgent Food Contracts that need re letting. An immediate response was received which finally clarified the issues around Food procurement and included the welcome confirmation that the NPS will establish new arrangements.

6 Potential for procurement collaboration post March 2015

6.1 At the last meeting the Board resolved that the Chair write to the WLGA stressing the need for collaborative arrangements to be put in place post 31st March 2016 and that Mr Jon Rae of the WLGA be invited to the September WPC Board meeting to outline WLGA proposals on future collaborative arrangements

6.2 This letter is reproduced for Board members for information :-

“As you will be aware funding for the current WPC organisation will terminate on 31st March 2016.

The WPC Board has confirmed its strong view that there is a need to ensure that satisfactory arrangements are put in place in whatever form, to continue collaborative procurement arrangements and the ability to share good practice, post March 2016.

The WPC Board appreciates that the WLGA Council has agreed to liaise with Authorities and interested stakeholders on the future role and requirements for collaborative procurement and facilitate the development of options on a way forward. The WLGA event for Heads of Procurement on 15th June was a practical first step in taking this forward and Officers who attended on the day briefed the WPC Board on the discussions and their desired outcomes at their meeting on 24th June.

In order to maintain momentum and move forward practically the Board agreed that as Chairman, I should write to you stressing the urgent need for collaborative arrangements to be put in place post 31 March 2016 and to invite you to the next meeting of the WPC Board to be held on Wednesday 16th September to outline the WLGA proposals on future collaborative procurement arrangements in local government. In addition we would appreciate your views on the Procurement Board and its future.

If you are unable to attend the meeting then we would very much appreciate a written response for consideration by the Board.

Finally I would confirm that the WPC Central Management Team is available to provide support to the WLGA in developing proposals and in putting any new arrangements in place”

6.3 The Procurement Manger has had a positive conversation with Jon Rae and regarding these issues and a Paper for submission to the WLGA Council is being developed. The WLGA has confirmed that a representative will attend the Board meeting as the Board’s views on potential options will be critical in this respect.

Rob Jones
WPC Procurement Manager

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Appendix AWPC Forward Contract Programme – Management Board 16th September 2015

Contract / Category Group	Lead Authority	Comments	Pre-Procurement Progress (RAG)	Procurement Process Status	Anticipated Contract Start Date	Procurement Progress (RAG)
Building Materials, Environmental Services & Highways		Pre OJEU		Tender Stage		
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.	01/10/2015	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.	01/10/2015	Green
Construction Services						
Corporate Needs & Professional Services						
Education & Curriculum Aids	Wrexham	Extension of terms to be requested for 6 months.	Amber	Terms of current f/w extended to 30/9. New f/w to be based on four regional lots. OJEU published 6/7, ITT return date 7/8.	01/10/2015	Green
Folding Mobile Catering Furniture	Pembrokeshire	Current arrangement terms extended for 5 months.	Green	Framework Awarded	01/09/2015	Green
Fleet Group						
Food Group						
The Supply & Distribution of Fresh Pasteurised Liquid Milk	Newport	LA requested information regarding issue of thirds.	Green	OJEU Published 3/8 ITT return date 2/9. Request for evaluation team members issued, seven positive responses received.	01/10/2015	Green
Social Care						

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APPENDIX B**Food Contracts at September 2015**

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	NPS to establish new Arrangement
Fresh Pasteurised Milk	Mar-14	Jul-15	1.7	2.6	Collaborative Tender exercise underway -
Frozen Plated Meals	Aug-14	Aug-15	0.5	0.4	NPS to establish new Arrangement
Prepared Sandwiches & Sandwich Fillings	Jan-15	Jan-16	0.4	0.6	NPS to establish new Arrangement
Supply, Installation, removal and Disposal of heavy Canteen Equipmnet	Feb-15	Feb-16	0.3	0.9	Extension taken for Feb 2016.
Supply of Soft Drinks, Crisps, Snacks & Confectionary	Mar-15	Mar-16	2.1	3.0	NPS to erestablish new Arrangement
Groceries Provisions & Frozen Foods	Apr-15	Apr-16	11.0	15.0	NPS to establish new Arrangement
Supply & Distribution of Bread Loaves, Rolls, Cakes & Associated Products	Jun-15	Jun-16	0.4	0.6	NPS to establish new Arrangement
Provison of Catering Disposables	Aug-15	Aug-16	0.2	0.5	Extension taken to August 2016. NPS asked to plan for new Arrangement -
Fresh Prepared & Unprepared Fruit, Veg & Salad	Mar-16	Feb-17	1.2	2.0	No immediate action required
Water coolers	Mar-16	Mar-17	0.2	0.2	No immediate action required
Vending Machines and Stock	Apr-16	Apr-17	0.4	0.2	No immediate action required
Supply of Fresh, Frozen and Cooked Meats	Nov-16	Nov-17	1.0	1.9	No immediate action required

Contracts to Remain in LG	Contract End Date	Extension End Date	Annual Spend data reported by Suppliers 2013/14 (£m)	Estimated Annual Spend recorded on Alito (£m)	Notes
Asphalt Macadam & Drystone Aggregates, Sand and RM Concrete	Jun-14	Oct-14	2.3	4.3	New Contract to Start Sept 2015
Readymix Concrete	Jun-14	Oct-14	0.5	0.5	New Contract to Start Sept 2015
Supply & Maintenance of Mobile Catering Furniture	Mar-15	Jun-15	–	0.2	Business case to be agreed.
Educational Aids	Aug-14	Jul-15	3.0	1.5	To Remain with LA's
Highways Maint. & Traffic Management Products	Jan-15	Aug-15	1.4	5.0	It is planned that the framework will commence early October
Public Analyst Services	Dec-14	Dec-15			To Remain with LA's
Waste Bags		Mar-16	–	0.2	To Remain with LA's
Mechanical Sweeper Brushes	Mar-15	Mar-16	0.21	1.8	Remains with LA's
Re-locatable & Modular Accommodation	Sep-15	Aug-16	–	0.2	To Remain with LA's
Summer Bedding Plants	Mar-16	Mar-17	–	0.5	Pembroke to Renew./ Extend or not (Options for Pembrokeshire)
Glass Polycarbonate & Double Glazed Units	Mar-15	Mar-17	0.4	0.8	RCT Tendered. NPS will subsume into their FM portfolio going forward.
Electrical Works Servicing & Cyclical Maintenance	Apr-15	Apr-19			No immediate action required
Textile Collection Services	Apr-16	No	4.0	6.0	New contract to commence
Photovoltaics			–	40	To Remain with LA's
Looked After Children	Apr-16	NA			Collaborative tender to be procured

Contracts Agreed by NPS - Position as at 4th September 2015

Contract Title	Contract End Date	Extension End Date	Annual Spend data reported by Suppliers 2013/14 (£m)	Estimated Annual Spend recorded on Alito (£m)	Proposed NPS Go Live Date	Comments
Category BMESH						
Supply of Waste Disposal Sacks	Mar-15	Mar-16	0.9	2.5	28.03.16	Full extension taken. NPS to action, ESPO framework is available and includes key suppliers
Provision of Highways Lighting Products	Jan-15	Jan-17	-	2.5	Post March 2016	Denbighshire framework extended, currently used by a number of Authoroties in NW England
Grounds Maintenance Equipment Spares	Dec-17	Dec-18	1.6	1.8	18.04.16	NPS to review
Meter Operating Services	Mar-15	Mar-16	-	0.5	Mar-16	Transferring with Energy
Rock Salt	May-15	No	5.0	5.0	18.05.15	NPS Pipeline - Go live date - 6th October 2015
Category Construction						
Mechanical Works Servicing & Cyclical Maintenance	Mar-16	no	20	1.0	07.12.15	Included in proposed NPS FM Framework.
Asbestos	May-17	May-19				NPS to consider onboarding
Category CN &PS						
Library A/V Products (Music CD's, DVD's etc.)	Oct-15	Oct-17	0.1	0.3		NPT to consider extending from October 15

Supply and Servicing of Library Books	Mar-16	Mar-17	3.5	2.8		Mini comp undertaken by LA from ESPO f/w to appoint WPC supplier. NPS to review.
Classified Advertising Direct to Press	Aug-15	Aug-16	1.5	2.4		NPS Media Advertising framework includes this option.
Protective Clothing and PPE	Jul-15	Jul-16	1.3	0.6	24.08.15	Extension option taken
Legal Services	Jun-14	NA	-	-	04.05.15	NPS Pipeline - Go live 31st August 2015
Banking Services	May-13		-	1.8	02.11.15	NPS Pipeline Go Live 29th Feb 2016
Category Fleet						
Leased Cars	Apr-13	Mar-15	-	1.5	21.09.15	NPS Pipeline - Go Live date 21st September 2015
Spot Hire of Specialist Vehicles	Apr-15	Apr-17	-	5.5	06.04.15	WPC Arrangement to be extended.
Category Food						
Water coolers	Mar-16	Mar-17	0.2	0.2	28.09.15	No immediate action required
Provision of Catering Disposables	Aug-15	Aug-16	0.2	0.5		WPC to extend
Supply, Installation, removal and Disposal of heavy Canteen Equipmnet	Feb-15	Feb-17	0.3	0.9	Post March 2016	Extension taken to Feb 16.
Supply & Distribution of Bread Loaves, Rolls, Cakes & Associated Products	Jun-15	Jun-16	0.4	0.6	28.09.15	Full Extension taken - NPS to establish new arrangement.
Fresh Prepared & Unprepared Fruit, Veg & Salad	Mar-16	Feb-17	1.2	2.0	21.12.15	No immediate action required
Groceries Provisions & Frozen Foods	Apr-15	Apr-16	11.0	15.0	20.07.15	Full Extension taken - NPS to establish new arrangement.
Supply of Fresh, Frozen and Cooked Meats	Nov-16	Nov-17	1.0	1.9	16.11.15	No immediate action required
Supply of Soft Drinks, Crisps, Snacks & Confectionary	Mar-15	Mar-16	2.1	3.0	28.09.15	Full Extension taken - NPS to establish new arrangement.

Fresh Pasteurised Milk	Mar-14	Mar-15	1.7	2.6	04.01.16	Extension of Terms in place. Newport CC currently procuring new collaborative arrangement.
Alcoholic Beverages	Jun-14	Jun-15	0.2	1.0	No	Extension of Terms in place until 30 June 2016. NPS to establish new arrangement
Frozen Plated Meals	Aug-14	Aug-15	0.5	0.4		Extension of Terms in place until 31 August 2016. NPS to establish new arrangement
Vending Machines and Stock	Apr-16	Apr-17	0.4	0.2		No immediate action required
Prepared Sandwiches & Sandwich Fillings	Jan-15	Jan-16	0.4	0.6		Full Extension taken - NPS to establish new arrangement.
Category Energy						
Gas and Electricity	Oct-14	Mar-17	71.2	-	Post March 2016	Responsibility scheduled to transfer to NPS Autumn 2015.
Wood Pellets	Aug-13	Aug-15	-	0.2		NPS considering option to establish new arrangement mid 2016.

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