

**RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL  
MUNICIPAL YEAR 2015-16**

**PUBLIC SERVICE DELIVERY,  
COMMUNITIES AND PROSPERITY  
SCRUTINY COMMITTEE**

**15<sup>th</sup> February 2016**

<b>Agenda Item No. 4</b>
<b>Positional Update Statement – of the Head of Operational Procurement</b>

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**1. PURPOSE OF THE POSITIONAL UPDATE STATEMENT**

- 1.1** To set out the reasons behind the Council's Quarter 1 and 2 performance (FY 2015/16) in respect of the number of bids and tenders submitted for Council contracts by local businesses and provide an overview of the procurement processes in place to enable local businesses to bid for Council contracts.
- 1.2** To update on the position related to the Council's Quarter 1 and 2 performance (FY 2015/16) in respect of the number of bids and tenders submitted for Council contracts by local businesses and provide an overview of the procurement processes in place to enable local businesses to bid for Council contracts.

**Please note** – this positional update statement is intended as an interim reporting measure – further to the next scheduled Public Services Delivery Communities and Prosperity Scrutiny Committee – on 14<sup>th</sup> March 2016

**2. RECOMMENDATION**

- 2.1** Members are asked to consider the update position in relation to the number of bids and tenders submitted for Council contracts by local businesses, as set out in the provisional update statement and consider whether any further information or action is required

**3. BACKGROUND**

- 3.1** At the meeting held on the 15<sup>th</sup> December 2015 and In response to the recommendations set out below the Public Service Delivery, Communities and Prosperity Committee resolved to undertake a short review into the number of bids and tenders for Council contracts over a period of one or two meetings with the aim of developing evidence based recommendations;

Acknowledge the variation of factors that influence this key performance indicator and the mechanisms in place to manage supplier engagement;

Form a view on the adequacy of the Council's arrangements to provide local businesses with the opportunity to be suitably prepared to bid for Council contracts; and

Recommend the revision of the reporting timescales for this measure to annual reporting frequency (rather than quarterly) which will reflect a more meaningful end of year aggregation,

- 3.2** Key Performance Indicator LPRO107 (% bids / tenders submitted by local\* businesses) was introduced in FY 13/14 with the aim of capturing the Unit's performance in encouraging and enabling local businesses to access Council contracts. [\*'Local' means suppliers registered in the South East Wales region - postcodes CF, SA and NP]
- 3.3** Setting a target for this KPI has historically been difficult due to significant performance variations being identified between reporting periods. This is due to the nature of contract opportunities being advertised from one reporting period to the next, matched against the capacity, capability and local suppliers' decision to bid for such contracts.
- 3.4** During FY 13/14, variation in performance between quarterly reporting periods ranged from 64% to 87%, however end of year cumulative reporting resulted in the achievement of 81.25% of bids / tenders being submitted by local businesses.
- 3.5** A similar trend was identified in FY 14/15, with variations again being identified between quarterly reporting periods, ranging from 58.11% to 88.98%. Consequently, end of year cumulative reporting identified that performance had exceeded the annual target set, with 74.45% of bids / tenders being submitted by local businesses (against a target of 70%).
- 3.6** Based on the above performance trends, a target of 75% was set for FY 15/16. The below table identifies current performance to date – updated to include Quarter 3

Reporting Period	Target	Quarterly Performance	Cummulative Performance
Quarter 1 (Apr - Jun '15)	75%	55.00%	55.00%
Quarter 2 (Jul - Sept '15)	75%	71.43%	59.26%
Quarter 3 (Jul - Sept '15)	75%	89.06%	77.51%

- 3.7** The above data again identifies variations between the quarterly reporting periods (55% - 71.43%), however Quarter 3 performance demonstrates a

positive increase in trend ( 89.06% ) and cumulative performance to date (77.51%) currently positively exceeding the annual target set of 75.00%.

### 3.8 Tender opportunities culminating in Quarter 3 FY 15/16

RCT/PSS/S261/15	Appointment of Destination Management Coordinator for RCTCBC
RCT/PSS/S258/15	Appraisal of critical vacant buildings in Aberdare and Pontypridd RCTCBC
RCT/BS/S262/15	Mini Competition for the Supply & Delivery of 1 No.18 Tonne Skip Loader Vehicle
RCT/PSS/NPS-PSU-0012-14/MC02	Occupational Health Physiotherapy Services
RCT/CE/S029/16	Disabled Adaptations and Repairs Contract (DARC) Lot 4
RCT/CE/S029/16	Disabled Adaptations and Repairs Contract (DARC) Lot 3
RCT/CE/S029/16	Disabled Adaptations and Repairs Contract (DARC) Lot 5
RCT/CE/S029/16	Disabled Adaptations and Repairs Contract (DARC) Lot 2
RCT/CE/S029/16	Disabled Adaptations and Repairs Contract (DARC) Lot 7
RCT/CE/S029/16	Disabled Adaptations and Repairs Contract (DARC) Lot 1
RCT/CE/S029/16	Disabled Adaptations and Repairs Contract (DARC) Lot 6
RCT/BS/R432	Supply of Fitness Equipment to Bronwydd Pool, Abercynon Leisure Centre and Rhondda Sports Centre
	Mini Competition - Lot 15 - Wood
	Mini Competition for the Supply of Aluminium Doors for Vision Products
RCT/PSS/S246/15	Supported Accommodation Service for Homeless Vulnerable People

3.9 As evidenced in previous trend data detailed above - Quarter 3 figures ( positively ) demonstrate the fluctuation in results, however there remain number of influencing factors that could continue to adversely affect the performance of this key performance indicator.

**4. CONCLUSION**

**4.1 Performance trends have been positively affected via promoted contractual opportunities for Quarter 3 and the cumulative figure currently exceeds target.**

In support of sustaining and maintaining this positive trend members should note that a 'Meet the Buyer' event is planned to take place during early February 2016 in conjunction with the Regeneration and Planning Service and other collaborative partners. Historically, these events have been well attended by local and other suppliers in the market, and it is anticipated that facilitating this event will further encourage and enable local suppliers to access Council contract opportunities

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