



Executive
12th December 2005

**Report from the Director of
Finance and Corporate Resources**

For Action

Wards Affected:
ALL

Brent Council Corporate Procurement Strategy

Forward Plan Ref: F&CR-05/06-23

1. Summary

- 1.1 The National Procurement Strategy requires Councils to have a corporate procurement strategy in place which has been endorsed by members. Procurement also features heavily in the criteria for assessing councils under the government's CPA framework.
- 1.2 This Strategy sets out the framework within which the Council will work to ensure that our procurement activity fulfils all requirements and targets across all service areas.

2. Recommendations

- 2.1 That the Executive approves the Corporate Procurement Strategy.

3. Detail

- 3.1 The Corporate Procurement Strategy takes account of the objectives and targets contained in the National Procurement Strategy for Local Government. The Corporate Procurement Strategy has been developed over a period of two years after consultation with all service areas, other authorities within the West London Alliance and the London Centre of Excellence. Four progress reports have been made to the Corporate Management Team during this time.
- 3.2 The National Procurement Strategy provides a number of procurement milestones to be achieved by local authorities. These milestones are grouped under four key themes:
- Providing Leadership and Building Capacity
 - Partnership and Collaboration
 - Doing Business Electronically
 - Stimulating Markets and Achieving Community Benefits

The Corporate Procurement Strategy is defined by these four areas and the contribution it makes to the Council's Corporate Strategy and other corporate policies.

3.3 The Council has for a long time had a mixed economy of service provision, involving a flexible approach to procurement. Examples include:

- Terminating the revenues and benefits contract with EDS and putting in place an in-house service for benefits and a contracted service for Revenues;
- Setting up the ALMO to deliver the housing management service;
- Re-tendering of the parking contract and the home care contract - changing the contractor in one and retaining the existing contractor in the other;
- Involvement in a number of PFI deals;
- Shared provision of the trading standards service with Harrow Council;
- The equipment purchasing partnership with Brent PCT;
- Joint developments with housing associations.

3.4 Recently the Council has concentrated on embedding effective procurement practice. The initial strategy presented to the Corporate Management Team in September 2003 was primarily focused on activity needed to identify the current status of our procurement and identify gaps. As a result of those activities a number of achievements were realised:

Providing Leadership and Building Capacity

- Formation of the procurement user group
- Member champion agreed
- Revised council wide procurement procedures for projects in excess of £50,000 agreed by CMT and Chief Executive
- First level contract management training provided to 15 Environment staff
- 3 year timetable for procurement review agreed by CMT
- £ 30,000 saved by controlling the timing of our utilities purchasing
- £134,000 in savings generated by the central procurement team i.e. without any resource demanded from service areas, primarily related to utilities purchasing and agency staff negotiations
- Presentations on procurement to new staff at the corporate induction seminars

Partnering and Collaboration

- Brent is actively involved in collaborative procurement projects: Approved Supplier List, Abandoned Vehicles Contract, Parking in Partnership, IT hardware benchmarking with WLA
- Extensive collaborative work with Harrow to evaluate the feasibility and potential benefits related to participating in the agency staff vendor managed service framework agreement. Agreed by the Executive in November 2005. This could deliver potential savings of £600,000 per annum.

Doing Business Electronically

- Development of a procurement web site and direct email address
- Development of Brent's first council-wide external expenditure database

- Development of Brent's first council-wide contracts database – now available on the intranet site
- Pre-qualification questionnaires now web-based

Stimulating Markets and Achieving Community Benefits

- A first draft "Selling to Brent" guide on the web site
- Extensive involvement and consultation with the Diversity team and the BME Forum leading to wider development of our procurement policies

3.5 The proposed Corporate Procurement Strategy is focused on developing work streams linked to the four key themes and further embedding best practice procurement across the Council.

4. Financial Implications

4.1 Effective procurement is key to the Council continuing to improve delivery of value for money and achieving savings which can be redirected into corporate priority areas.

5. Legal Implications

5.1 There are no legal implications arising directly from the adoption of the strategy

6. Diversity Implications

6.1 Several areas within the Corporate Procurement Strategy are related to the Council's Race Equality Scheme priorities for 2004-6.

6.2 The Procurement and Risk Management Unit is working with the Corporate Diversity team to review the equality issues arising from the recommendations made in the Strategy.

7. Staffing Implications

7.1 None.

Background Information

National Procurement Strategy for Local Government, ODPM October 2003

Contact Officers

Any person wishing to inspect the above papers should contact:

Alison Matheson
Head of Procurement and Risk Management
Room 26, Brent Town Hall Annexe
Wembley, Middx HA9 9HD
Tel. No. 020 8937 1363

Duncan McLeod
Director of Finance and Corporate Resources