

**Forward Plan Select Committee**  
**3<sup>rd</sup> November 2009**  
**Briefing Note From the Director of Finance and**  
**Corporate Resources**

Wards Affected:  
All

**Briefing Note Title: Council Contracts Database detailing current and future contracts**

Forward Plan Ref: F&CR09/11

**1 Summary**

1.1 At the last Forward Plan Select Committee members requested additional information regarding the council's contracts database and contracts scheduled for re-tender. Updating of the database with contract renewal dates and new contract detail is the responsibility of each service area across the council. The corporate procurement unit uses this information to identify potential areas of future cost reduction and savings, define collaborative opportunities, both internally and externally and plan future workload. Due to the size of the database it is not practicable to provide a printed version. The database is searchable and can be found on the intranet under the contracts/tenders tab of the internal procurement pages of the Finance and Corporate Resources internal web site.

**2 Contract detail breakdown**

2.1 Details of the number and value of contracts currently held on the database are shown in the table below. The annual value shown is the cost of the contract for the year designated i.e. our contract database shows that in the years 07-09 Brent spent £17.5 million pounds on external suppliers. The figures are likely to be higher since at that time all contracts were not entered onto the database.

Year	Count of Contracts	Count of Contracts (%)	Current Annual Value	Current Annual Value (%)	Average Annual Spend per contract
2007-2009	131	27%	£17,508,354	11%	£133,652
2009-2010	164	33%	£38,771,255	25%	£236,410
2010-2011	53	11%	£37,435,573	24%	£706,332
2011-2012	36	7%	£15,041,876	10%	£417,830
2012-2013	21	4%	£8,241,538	5%	£392,454
2013-2014	6	1%	£20,219,013	13%	£3,369,836
2014 onwards	79	16%	£18,845,316	12%	£238,548
<b>Total</b>	<b>490</b>	<b>100%</b>	<b>£156,062,925</b>	<b>100%</b>	<b>£5,495,061</b>

2.2 A breakdown of all contracts by service area is shown in the table below

Service Area	Count of Contracts	Count of Contracts (%)	Current Annual Value	Current Annual Value (%)	Average Annual Spend per contract
Business Transformation	11	2%	£23,095,196	15%	£2,099,563
Central Services	15	3%	£4,710,999	3%	£314,067
Children & Families	86	18%	£22,802,105	15%	£265,141
Environment & Culture	58	12%	£37,900,363	24%	£653,455
Finance & Corporate Resources	163	33%	£28,233,217	18%	£173,210
Housing & Community Care	155	32%	£39,306,044	25%	£253,587
Council Wide	2	0%	£15,000	0%	£7,500
<b>Total</b>	<b>490</b>	<b>100%</b>	<b>£156,062,925</b>	<b>100%</b>	<b>£3,766,522</b>

The relatively high ratio of value to number of contracts within the Business Transformation service area relates to the Civic Centre contract (£6 million) and Agency staff contract (£16 million negotiated down to £15.6 million, saving £345,000).

2.3 A breakdown of our top ten supplier categories is shown below, accounting for approximately 62% of total contract value. The first item shown relates to the 33 tenders currently being worked upon by the procurement unit. The fourth item relates to the Property Consultancy framework which is an agreement shared between four suppliers and with WLA partner authorities.

Vendor	Number of Contracts	Current Annual Value	Contract End Date	Description
Currently Under Tender	33	£34,938,568	Various	
Veolia Environmental Services (Uk) Plc	8	£16,173,978	31/03/2014	Corporate Waste Collection/Services
Matrix	1	£16,000,000	04/06/2010	Agency Staff Contract
Mace Ltd - Frankham Consultancy Amey Business -T&T Babcock	1	£8,000,000	24/01/2011	Property Consultancy And Related Services
APCOA Parking	1	£3,900,000	03/07/2012	Parking Enforcement
J & B Construction	2	£3,043,333	31/07/2012	Street Furniture & Painting Works / Footway Relay & Maintenance Works
David Webster Ltd	1	£3,000,000	31/12/2018	Street Lighting Contract
Willow Housing & Care Limited	6	£2,808,909	2010-2012	Older People With Support Needs
London Surfacing Co.Ltd	1	£2,666,660	01/07/2012	Road Surfacing
Capita	1	£2,600,000	01/05/2011	Council Tax, Nndr Collection And It Provision
Linteum (Willesden) Ltd.	1	£1,900,000	31/10/2031	Willesden Sports Centre Pfi

2.4 Major contracts due for re-tender in the years 2015 onwards are shown below

Service Area	Service Unit	Vendor Name	Start Date	End Date	Title	% Savings (3% Target)	Current Annual Value
Finance & Corporate Resources	Information Technology Unit	Computacentre (2e2)	01/10/2009	31/12/2014	Internet Protocol Telephony System	4.07%	270,000
Environment & Culture	StreetCare	David Webster Ltd	01/01/1998	31/12/2018	Street Lighting Contract	3.00%	3,000,000
Environment & Culture	Environment & Culture Directorate	Linteum (Willesden) Ltd.	08/03/2005	31/10/2031	Willesden Sports Centre Pfi	3.00%	1,900,000
Finance & Corporate Resources	Information Technology Unit	Minerva Management Consulting	01/04/2008	01/01/3000	It Consultancy	3.00%	96,507
Finance & Corporate Resources	Information Technology Unit	Evovus	01/04/2008	01/01/3000	Telephone - Network Deals	3.00%	102,000
Finance & Corporate Resources	Information Technology Unit	Deloittes	01/04/2008	01/01/3000	Crm Software Developer	3.00%	91,885
Children & Families	Department Management Team	Currently Under Tender	01/11/2009	01/01/3000	BSF - Feasibility Study	3.00%	200,000
Finance & Corporate Resources	Property & Asset Management	Veolia Environmental Services (UK) Plc	29/03/2003	01/01/3000	Waste Bin Maintenance - Dyne Road	3.00%	101,904
Housing & Community Care	Strategy & Regeneration	Locata Ltd	18/04/2002	01/01/3000	Administration Of Choice Based Lettings Scheme	3.00%	107,000
Business Transformation	Civic Centre	Currently Under Tender	ongoing	ongoing	Civic Centre construction	3.00%	6,000,000
Housing & Community Care	Housing & Community Care	Currently Under Tender	TBC	TBC	Modernising Transport P2	14.90%	5,829,000
Finance & Corporate Resources	Property & Asset Management	Currently Under Tender	TBC	TBC	Pan London Postal Serv	24.00%	246,000
Environment & Culture	Transportation Unit	In House	TBC	TBC	Street Slips / Trips	25.00%	270,000

### 3 Benefits of complete and accurate contract data.

3.1 Accurate contract data is the cornerstone for determining cost reduction opportunities. With accurate data providing detail of value, term, description and specification it is possible to define the best possible procurement approach matched to current economic and market conditions. Accurate data allows for advanced planning, offering the opportunity to fully examine options for collaborative contracting between internal service areas and with other external partners. Contract data which is mapped to expenditure data allows us to identify anomalies in expenditure e.g. any non-contract expenditure, duplicate contracting and potential process savings such as decreased invoice processing.

3.2 The newly formed Strategic Procurement Board, chaired by the Director of Finance and Corporate Resources, with service area representation at Assistant Director level, has prioritised the compilation of accurate and current contracts and expenditure data and is working with service areas to provide information.

3.3 Corporate procurement staff are working with contract owners to set savings goals at the start of each procurement project. Where there is insufficient market and/or contract data to set a defined goal a nominal 3% target has been set. The savings goals targeted to date are as below

Year	Savings Goal
2007-2009	£525,251
2009-2010	£1,646,960
2010-2011	£1,014,459
2011-2012	£485,841
2012-2013	£490,604
2013-2014	£687,902
2014 onwards	£1,425,528
<b>Total</b>	<b>£6,276,546</b>

3.4. Savings achieved to date in Fiscal Year 2009/10 are as follows

Total Savings: £1,178,626

Savings applied to 2009/10: £835,314

Service Area	Service Unit	Vendor Name	Start Date	End Date	Extension Date	Title	% Savings (3% Target)	Current Annual Value	Savings 12 month period	Annual Saving Financial Year 2009/2010
Children & Families	Schools & Childrens Centres	ISS Caterhouse	01/09/2009	31/08/2012	31/08/2014	Preston Park Catering Services	3.57%	70,000	12,500	1,458
Environment & Culture	Arts & Learning	Intellident	15/08/2009	14/08/2012	14/08/2014	Library equipment (RFID)	14.87%	93,800	74,178	9,890
Children & Families	Youth Service	MACE Group	01/08/2009	31/03/2010	NA	Roundwood Youth Centre rebuild	47.36%	195,750	217,500	217,500
Finance & Corporate Resources	Property & Asset Management	Connaught Environmental Ltd.	05/04/2007	03/06/2010	03/06/2012	Cleaning - Municipal Buildings	2.50%	641,667	16,042	3,303
Business Transformation	People Centre	Matrix	05/06/2009	04/06/2010	NA	Agency Staff Contract	2.16%	16,000,000	345,600	259,200
Environment & Culture	StreetCare	APCOA Parking	04/07/2005	03/07/2010	03/07/2012	Parking Enforcement	3.74%	3,900,000	146,000	109,500
Finance & Corporate Resources	Property & Asset Management	AA Security	01/05/2009	30/04/2011	30/04/2013	Provision Of Security Services	6.38%	470,000	30,000	27,500
Housing & Community Care	Housing & Community Care	Various Suppliers	01/01/2009	31/12/2013	NA	Passenger Transport	7.69%	1,733,333	133,332	133,332
Environment & Culture	Environmental Health	AA Security	20/07/2009	30/04/2011	30/04/2013	Security Assistance For Nuisance	12.25%	32,130	3,936	716
Business Transformation	People Centre	Guardian Stepstone	01/10/2009	31/03/2013	NA	e-recruitment application tracking system	33.67%	137,800	46,408	5,660
Finance & Corporate Resources	Information Technology Unit	Computacentre (2e2)	01/10/2009	31/12/2014	NA	Internet Protocol Telephony System	4.07%	270,000	43,968	10,992
Finance & Corporate Resources	Procurement & Risk Management	Zurich Insurance Company	01/10/2008	01/10/2009	01/10/2011	Insurance Contract	38.09%	351,000	62,520	20,840
Children & Families	Achievement & Inclusion	Prospects Services Ltd.	01/08/2006	30/09/2011	NA	Delivery Of Education, Employment, Training And Careers Connexions Services To Young People	1.44%	1,558,130	22,437	11,219
Finance & Corporate Resources	Procurement & Risk Management	Office Depot	01/09/2005	31/08/2009	31/10/2009	Stationery	1.94%	300,000	24,205	24,205
										835,314