

FOR PUBLICATION

**CHESTERFIELD BROUGH COUNCIL PROCUREMENT SERVICE –
POSITION STATEMENT, SEPTEMBER 2015**

MEETING:	OVERVIEW AND PERFORMANCE SCRUTINY FORUM
DATE:	8 SEPTEMBER, 2015
REPORT BY:	BUSINESS TRANSFORMATION MANAGER
WARDS:	ALL
COMMUNITY ASSEMBLIES:	ALL

FOR PUBLICATION
BACKGROUND PAPERS FOR PUBLIC REPORTS: Nil

1.0 PURPOSE OF REPORT

- 1.1 To update members of the Overview and Performance Scrutiny Forum on the current position regarding the Chesterfield Borough Council Procurement Service.

2.0 RECOMMENDATION

- 2.1 That the current position regarding the Chesterfield Procurement Service be noted.

3.0 BACKGROUND

- 3.1 The Council established a joint procurement unit with North East Derbyshire District Council NEDDC and Bolsover District Council (BDC) in 2008, the unit expanded further in the following years with both Ashfield Borough Council and Mansfield District council joining the unit in 2010.

- 3.2 The service worked effectively for many years before disbanding in 2012 when key officers resigned from the unit, leading to the breakdown of the consortium as partners went different directions to resolve the immediate procurement requirements.
- 3.3 Chesterfield chose at that point to bring the service back in house as it was felt that the procurement need of CBC was becoming too great for the volume of staff within the shared arrangements.
- 3.4 To support the immediate need a consultant was brought in 3 days per week to manage immediate procurement need.
- 3.5 During 2013 a paper was presented to cabinet which formalised arrangements to bring the service in house with a Full time Procurement Manager post at Scale 12 and a full time procurement officer post at Scale 7.
- 3.6 Scrutiny reviewed this paper and supported the recruitment decision at a meeting in January 2014.
- 3.7 A recruitment exercise was undertaken for the Procurement Manager role during 2014 but did not successfully recruit to the position.
- 3.8 The procurement officer role was filled on secondment until Dec 2014 when it was recruited to on a permanent basis; however, this role became vacant in May 2015 and is currently being covered on a temporary basis by Project Academy resource.

4.0 CURRENT POSITION

- 4.1 The Procurement team is currently staffed 3 days per week using an external consultant as Procurement Manager, supported by a full time project academy officer assisting with the procurement officer role.
- 4.2 The Business Transformation Manager has explored options for the future provision of the Procurement Service, analysing how different delivery models can best meet the council's future procurement needs.

4.3 A cabinet report has been developed which can be summarised in the following key points.

- The Councils current arrangements are not suitable, sustainable or sufficient to meet the council's needs.
- Any future service needs to:
 - Ensure legal compliance at all times
 - Ensure compliance with the councils constitution at all times.
 - Manage day to day procurements
 - Provide and maintain:
 - A Procurement Strategy
 - A Procurement forward plan
 - A Contracts register
 - E tendering platform
 - Procurement training for key officers and members
 - A procurement template pack
 - Deliver efficiency savings through procurement reviews and smarter procurement.
 - Regularly analyse the Councils financial management system to identify potential areas of non compliant spend
- Procurement is now incorporated into the revised GPGS business case as a key enabler of change, and opportunity to transform the way the council operates.
- 4 service delivery options have been explored
 - Shared service with an established public sector partner
 - In-house with increased capacity / resource
 - Shared service with a Local Authority partner – this would be a new shared service
 - Full specification and market test of the service.

4.4 A completed paper with final recommendations will be presented to cabinet in late September.

5.0 RECOMMENDATION

- 5.1 That the current position regarding the Chesterfield Procurement Service be noted.

Further information regarding this report can be obtained from Karen Brown, Business Transformation Manger Tel: 01246 345293