

Local Procurement Note for Value & Performance Scrutiny Committee

What are the Councils Policies on Local Procurement & how do we make sure this Happens?

The Council's procurement strategy has just been updated and will go to City Executive Board in December; this sets out the Councils policies in more detail, but in summary:

The Constitutions contract procedure rules state that, when seeking quotations, officers must ensure, where appropriate, that at least one quote is sought from a local supplier. In terms of tendering, which applies to all contracts with a total value of £100,000 or more, it is more difficult to control the locality of where bids come in from because the opportunities are either advertised nationally or in Europe. It is sometimes possible to write the specification so that it appeals more to local organisations and the Council does this wherever possible whilst also ensuring that other suppliers are not prejudiced.

The Procurement Team through their work developing and training local suppliers is able to develop skills in local businesses to bid for and win Council work. The Team targets local organisations and invites them to attend workshops on "How to tender to the Public Sector". The aim of the workshops is to take suppliers through a typical local authority tender document and talk through each section of the document, letting them know what public sector expectations are. The team also uses it as an opportunity to explain the Councils policies regarding payment of a living wage and ensuring that opportunities for apprenticeships are taken advantage of. This service is also available to be delivered on site at the organisation

For the past 3 years the Council has funded, hosted and run a Meet the Buyer event. This event gives local organisations the opportunity to speak to buyers from the public sector (including local councils, NHS Trusts, & the MOD) and find out how and what they buy and what opportunities are coming up in the future. The team sends out a quarterly newsletter informing local businesses about forthcoming opportunities, any legislative changes in the procurement world and appropriate Council information.

The Councils procurement team officers are regularly invited to speak at local business events and have recently attended Chamber of Commerce and the Federation of Small Business run events. In October the Procurement Hub Officer has been invited to present to local businesses about Council procurement at the Experience Business Event.

On the flip side, where appropriate, the procurement team will make contracts available to other local organisations. Two examples of this are the cleaning materials contract that is currently being utilised by a local voluntary organisation and the playground resurfacing contract which is regularly used by a local adventure playground and other parish councils.

How does the Council Define Local?

Local is defined as any organisation with an OX post code.

What procurement do we do locally and what is its value?

The total value across the Council is around £20million. In terms of the Council's top 25 contracts (by value) 14 local suppliers are in this list. This equates to just under £10,000,000 going straight back to local businesses.

Two of the greatest value contracts have been awarded to local businesses, those are; Champion Recruitment Ltd who supply the Council with temporary agency staff and Grafton Merchanting GB Ltd, otherwise known as Buildbase that supply the Council with building materials and plumbing and heating supplies.

How much is this a proportion of our overall spending?

This fluctuates around the 40 – 43% mark. There are occasions when we contract with national organisations who service a contract locally, however the head office and ultimate accounts department reside in other parts of the country. Therefore there may be organisations that are missed by the spend analysis that works out the metrics on local spend for the Council.

What is the Potential to do more?

Oxford City Council also promotes local procurement in the other Oxfordshire Districts through the Procurement Hub. The procurement team is limited by its capacity to immediately deliver more but there is always room for improvement. Additional collaborative working with colleagues in economic regeneration could benefit local businesses and promote the Council further as an influential purchaser in the local economy. When funding permits, the Council could run more events for local businesses. One such event could be aimed at sector specific smaller local organisations, encouraging them to work together in order to bid for larger contracts that they may not be able to deliver on their own. There is also more potential for opening up Council contracts to local organisations, particularly in the voluntary and community sector.