



Norfolk, host of Procurement Centre of Excellence

Dramatic money-saving improvements made by Norfolk County Council in the way it buys all kinds of goods and services have been recognised at national level through the designation of the authority as the host of the Procurement Centre of Excellence for the whole of Eastern England.

Norfolk County Council's seven-strong Corporate Procurement Unit was established after the council carried out a Best Value Review of Purchasing in 1999-2000. One of the unit's targets was to pay for itself and find £1million in savings in the first three years. This target was exceeded by £200,000. The unit has involved Members of the County Council and purchasing officers within departments in developing a new approach to procurement, underpinned by a new corporate policy and strategy. Progress is overseen by a Corporate Procurement Panel. Change has been supported by a strong communication and training strategy. Electronic methods of purchasing are well developed.

A delighted Tim Byles said: "Gaining Centre of Excellence status just three years after establishing our Corporate Procurement Unit is a tribute to everyone involved. I am delighted that the expertise we have developed here in Norfolk will help other authorities to strengthen their own purchasing arrangements, saving millions in public money.

"At the same time we are determined to maintain the progress we have made in Norfolk and continue to look for more of the savings and efficiencies that directly benefit our own service users and Council Tax payers."

The Centres of Excellence nationally are each being supported by capacity building funding of around £400,000 in both 2004/5 and 2005/6.

Steve Holland (Head of Trading Standards) has been seconded initially for six months as project director to establish the centre and produce the business plan.



L- R: SIR JEREMY BEECHAM, CHAIRMAN LGA; PHIL HOPE, MP
AND TIM BYLES, CHIEF EXECUTIVE NORFOLK COUNTY COUNCIL

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Editorial

Let ESPO take the strain!
May we take this opportunity to remind all purchasers that ESPO are there to help you, a vast resource at your service, not just a catalogue provider. They can help with contracts, EU regulations, tender processes, tender analysis and the supply of goods, services and utilities.

Included with this issue is a laminated version of the purchasing guides '**Pre-Contract Checklist**'. Please keep this handy and make full use of it when preparing for contracts.

This newsletter is also available on the intranet. If you have any interesting articles or news items that could be included in future issues please let us know.

Editors

Colin Bottjer
01603 222025

Angie Yeomans
01603 223488

Editorial Board

Anton Bull (CPU)
Stephen Bullock (SS)
Mark Hardy (EDU ICT)
John Perrott (CS)
Susan Speakman (CEX)

Production and distribution

Angie Yeomans (QSS)

CPU Helpline
01603 222820

New Contracts

You may recall reading in the Winter 2004 edition of Purchasing Power that the NCC Focus Groups for Office Furniture and Brown and White Goods were busy analysing tenders for contracts starting on 1 April.

I am happy to report that the Groups have agreed the new contracts and the situation is as follows:

ESPO Contract 282(N) – Office Furniture

The new contract is three-year, sole supplier arrangement and represents an improvement in the terms over the previous contract.

The supplier is Saber Daynes who will supply:

- Lee & Plumptre Desking
- Senator-Invicta Desking
- MDK Office Seating

All seating will carry a five-year guarantee.

Saber Daynes are in the process of compiling a catalogue and price list that will feature the entire range of furniture available on the contract.

ESPO Contract 206(N) – Brown and White Goods

BDC Commercial Supplies have again been appointed the supplier on this contract. BDC have a showroom in Norwich and produce a full colour catalogue. Please ring 01603 416060 to request a copy.

Please ring the CPU Helpline on 01603 222820 to request information about these contracts.

Tim Howard

If you would like this newsletter in large print, audio, Braille, alternative format or in a different language, please contact the helpline, 01603 223488.



Supplier Support Scheme

Norfolk County Council's Supplier Support Scheme (SSS) is one year old. The publicly-funded project is run through the Ecotech Centre in Swaffham and seeks to engage and support NCC suppliers in making improvements in their environmental performance in line with existing business goals.

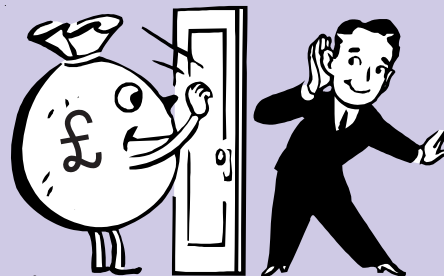
Nearly 100 companies are now involved in some kind of resource efficiency measure or environmental improvement and key project targets are being met and exceeded.

The first year focussed on residential care homes, which comprise a significant component of Norfolk's supplychain, but the Scheme is now branching out to look at construction and other, more general businesses. A glossy Anniversary Update leaflet is currently at the printers and copies will be available through Tim Howard of the CPU. The document includes Scheme information and various case studies. For example, Goodwins Hall care home in King's Lynn has highlighted £3000 annual savings on their bills (including £850/year through energy efficient lighting, £400 through pipe insulation and £700 through water-saving).

They've also been able to reduce their waste disposal costs through segregation and recycling.

Other companies have received training, been able to attend subsidised environmental management system courses, received expert guidance on renewables, implemented green transport plans and received free compost bins and waterbutts. One business has even secured a £5000 climate change levy refund after one of the Scheme's advisors spotted that they'd been overpaying.

For further info, please contact Simon Best at sbest@ecotech.org.uk or ring **01760 726743**.



Have you discovered the **new range of labels** for Injet or laser printers and photocopiers from Fisher Clark, the label layout is the same as the market leading brands but they cost just £2.70 per box of 100 sheets - ESPO catalogue page 24

Document Shredding - a new contract is available from Shredsafes, please see the 2004 ESPO Dealing Direct Catalogue, Page 32

Water Coolers

A new ESPO contract is available for plumbed in water coolers, the cost is just £15 per month, this includes plumbing in to mains supply and filter changes etc. For more details contact Peter Legind, 07787 128778

Do you need an ESPO catalogue or need extra copies? Please contact the Norfolk Account Manager Peter Legind on 07787 128778 or email him at p.legind@espo.org with your Delivery Point Number (DPN) and requirements asap.

Rail Update - Rebate and Change of Franchise

As a result of negotiations conducted by Stuart Hutchinson of CPU with Anglia Railways, Norfolk County Council has - for the first time - received an incentive rebate from Anglia Railways based on our annual spend with that organisation.

The rebate is based on 10% of NCC's annual spend with Anglia Railways in 2003/2004. The rebate was paid in the form of Carnet tickets, which allow unlimited travel for one day on (what were) Anglia lines and stations, i.e. Norwich to London, Ipswich to London, Great Yarmouth to London etc., and are still valid under the new franchise arrangements. There are no travel time restrictions on carnet tickets, provided all journeys take place on one day.

Each carnet ticket is valued at £58, which is approximately 10% below the price of a standard open return ticket between Norwich and London. Our rebate for 2003/2004 worked out as **320** carnet tickets, which equates to **£18,560** worth of free business travel. The tickets have been distributed amongst the various departments according to the percentage of spend each department contributed to the overall NCC spend.

Carnet tickets represent best value when used for a return London journey. So, if you are due to take a business trip to London for NCC, and would have ordered a standard open return ticket, please make use of these *free* rebate Carnet tickets by contacting the relevant member of staff - as per the list below.

Chief Executives	Susan Speakman	01603 - 222954
Education	Janet Evans	01603 - 222282
Social Services	Gillian Pointer	01603 - 223068
Planning & Transport	Sylvia Hughes	01603 - 222622
Cultural Services	Julie Ward	01603 - 223342
NPS	David Myhill	01603 - 224299
NCS	Lucy Fawbert	01603 - 228953
Norfolk Fire Service	Alison Watts	01603 - 819725

It is hoped that the same annual rebate arrangements will continue with the new Greater Anglia franchise holder "One". This will be confirmed in due course.

Savings have also been achieved by reducing the number of ticket ordering accounts held by NCC. At one point we had 35 separate ticket ordering accounts. This figure has now been reduced to 13 accounts, which represents a saving of at least £1,100 per annum in administration charges from ATOC (Association of Train Operating Companies).

CPU would like to thank the various NCC departments for their assistance in this consolidation/centralisation exercise.

New Franchise

“One” (a company owned by National Express) took over operation of the Greater Anglia franchise as of 01/04/04. However, there should be very little difference to business users. The telephone numbers for ticket ordering remain the same and the only planned change is a change of timetable due to take place in late May 2004, which was due to happen anyway, even if Anglia Railways had retained the franchise.

Advanced Warning Engineering Work - Line Closure Ipswich

Due to engineering works on the rail tunnel just south of Ipswich station, the railway line between Ipswich and Manningtree will be closed from 11th July 2004 to 5th September 2004. During this period journeys from Norwich to London Liverpool Street will be conducted by train from Norwich to Ipswich, then by coach from Ipswich to Manningtree, then by rail from Manningtree to London Liverpool Street. Because of the coach journey involved the total time for this journey will be dependent on the level of road traffic.

“One” is planning to arrange additional trains to Liverpool Street via Cambridge during peak travel periods. The journey time via Cambridge will be approximately 2 hours as opposed to the normal scheduled 1 hour 50 mins between Norwich and Liverpool Street.

The timetable for the additional trains will be published shortly. As soon as CPU have confirmed details we will circulate them to all NCC Departments and place a further announcement on the NCC Intranet.

For further details about the information contained in this article please contact Stuart Hutchinson on 01603 -222740.

Training opportunities

CPU continue to offer the following training sessions:

- ◆ Contract standing orders overview – 2 hour session
- ◆ contract standing orders/ the workforce code of practice (in partnership with legal services) – half day
- ◆ contract management (covering market knowledge, risk management, specifications, evaluation, relationship and contract management) – 1.5 days
- ◆ negotiation skills – 1 day
- ◆ race equality and procurement – half day

To cover costs there will be a small charge for these sessions, e.g. negotiation skills is the most expensive because it is provided by an outside facilitator and could cost circa £100 for the day.

We continue to get positive feedback from the courses we run but our resources are limited and we can only look to provide (say) 3 or 4 courses this year (these are in addition to the procurement NVQ courses managed by CPU).

If you feel you need any of the training offered, please get in touch with your line manager, who through your departmental procurement officer can arrange with CPU to develop a programme to meet your needs. For further information contact Wendy Baker on 01603 223861.

Attention all Norfolk Secondary Schools and Colleges!

Alternative Fuels Roadshow

Norfolk County Council is currently conducting trials of alternative fuels on some of its fleet vehicles. Fuels being tested include Liquefied Petroleum Gas (LPG), Bio-diesel and Hybrid-electric vehicles. The alternatively fuelled vehicles are being compared with control vehicles running on standard fuels. The aim of the trials is to establish what environmental benefits can be gained by use of alternative fuels. For further details of the trials please visit www.altfuel.norfolk.gov.uk.



As part of the trials, the County Council would like to visit some local **secondary schools and colleges** to exhibit some of the alternatively fuelled vehicles, discuss the trials and gain feedback from students and teachers. The idea is that the visits would link in with the curriculum work that students are currently undertaking in Environmental Studies, Science or Design and Technology. The format of these visits is reasonably flexible and can be determined in consultation with the particular school/college concerned. At this stage we just need to ascertain the level of potential interest and make contact with interested schools and colleges.

If you think your school/college would be interested in such a visit please contact Stuart Hutchinson (the Project Manager for the County Council Alternative Fuel Trials) on **01603 222740** or by e-mail at stuart.hutchinson@norfolk.gov.uk



The Proton Jumbuck, Liquefied Petroleum Gas (LPG) vehicle pictured at the Norfolk County Council Alternative Fuels exhibition at The Forum, Norwich on 031/11/03. The vehicle has been donated by Proton UK, of Hethel, for the twelve month duration of the County Council trials.



ESPO Contract 272D - Digital Photocopiers

The ESPO Contract

ESPO would like to take this opportunity to draw your attention to Contract 272D – Digital Photocopiers as advertised in our Dealing Direct catalogue.

This contract offers the very latest digital machines via three ESPO approved suppliers (Canon, Danka and Konica Minolta) with many excellent features and safeguards, and Best Value terms.

Warning

There are so many suppliers of photocopiers that simply don't have your best interests in mind. The photocopier market can be a minefield – notorious for dealer's irresistible promises, followed by years of expensive commitments as costly consequences emerge from the contractual 'small print'.

If you are considering a dealer's offer, please contact ESPO before signing – we will be happy to highlight any potential pitfalls or even improve on the offer you have been given!

Peter Legind, the Norfolk Account Manager for ESPO, will be pleased to hear from you. Please contact him on 07787 128778.

Features & Safeguards

The ESPO Contract is fully compliant with European Commission requirements and has terms and conditions which protect your interests. Our lease terms avoid breach of complex capital finance rules and the market leading service commitment we demand from our suppliers enables you to obtain the latest digital equipment with complete confidence, at some of the best whole-life cost terms available in the UK market, with the transparency you need to demonstrate Best Value.

The Solution

All ESPO approved suppliers (Canon, Danka, Konica, Minolta) have specialist sales advisors who will analyse your requirements and advise on suitable solutions.

Even if you are participating in an arrangement outside of the ESPO Contract, it is still possible for us to review your current arrangement and advise as necessary.

ESPO's Contract has saved schools significant amounts of money when they have moved from their current arrangements to an ESPO supplier.



Mobile phones and driving - update

The Winter 2004 edition of Purchasing Power featured an article on the new legislation that came into force on 1 December 2003 on the use of mobile phones whilst driving. The article explained what is legal/not legal under the new law and also referred to the advice given in the NCC Corporate Motor Policy. As a result of the new legislation, The Risk and Insurance Section has issued new guidance to drivers.

Drivers must:

Make sure you have activated the 'message facility' on your mobile phone. Never make or answer calls on a hand held phone whilst driving.

Never instigate a call when you are driving even if you have hands free equipment. All calls should be made when the vehicle is stationary in a safe location.

If you do answer a call with a hands free set, tell the caller you will return the call when it is safe to do so, don't get into a conversation with the caller.



Guard against the distraction of your vehicle becoming a 'mobile office'.

Always switch your mobile phone off in the immediate vicinity of a petrol station.

For a full explanation of the advice, please visit the Risk and Insurance Intranet site: <http://intranet.norfolk.gov.uk/riskandinsurance/MobilePhones.htm>

Tim Howard - 01603 222820

New bus service to County Hall

From **Monday 5 April** a new **service 34** operated by Ambassador will run between County Hall and the city centre. The service will run every 20 minutes from Monday to Friday. The first bus will leave St Stephens Street Stand E at 0737. The last bus from County Hall into the city will be at 1810.

Single journeys have been cut from £1.10 to 80p. Return journeys have been cut from £1.80 to £1.20. 10-trip tickets will be available to buy on the bus for £5. Existing Ten Trip tickets issued by First will be accepted until they expire; other valid First tickets will be accepted, e.g. FirstDay, FirstWeek and season tickets.

Further details regarding this and other bus services affected by changes can be found on the Passenger Transport Unit website at www.passengertransport.norfolk.gov.uk

Pre-Contract Checklist

A handy, laminated pre-contract checklist is included with this issue. Good preparation is essential to good procurement. Please keep this key points checklist to hand and use it as an aid-memoir.

A file copy of this checklist will be included in the Purchasing Guide update, which will be published and circulated in the very near future.

Pre-contract checklist

Good preparation is an invaluable aide to good procurement. This checklist only highlights key points to be considered before procurement starts – there will be other considerations not covered here.

- ◆ **What are the different procurement options?** Review the service and consider the issues. If a re-let – should we be 'doing different' rather than renewing the same contract? Can we package it differently to gain more competition? Be clearly non-discriminatory and avoid anti-competitive requirements. For complex procurements, apply Mixed Economy Toolkit (see the Essential Guide to Service Review and Procurement).
- ◆ **Contract length & value and contracting method** - decide the period of the contract (including any allowed extensions) and its total estimated value. Follow Contract Standing Orders (CSO) as appropriate and determine whether EU procurement rules apply. If you believe the contract comes under a CSO exception (CSO 3) or the contract is over £30,000 and the suggested procedure is other than by Open Tender (CSO 12), have you obtained written permission or put a certified entry on the file? Ensure no canvassing of employees or opportunity for collusion among contractors arises.
- ◆ **Prepare a project plan with timescales, resources and decision points.** Who is the sponsor and what is the available budget and the approval route? Are decisions required from Members? Is a Gateway peer review suitable?
- ◆ **Consult all stakeholders.** Always consult users, customers and employees. In reviewing the service, use feedback from customers on past performance or service deficiencies. What is the effect on external stakeholders such as ESPO or the pension fund? (Employees and/or their representatives **MUST** be consulted early where a transfer of staff is envisaged. Speak to your HR section about this). Can electronic methods be utilised in this contract?
- ◆ **Outside consultants** - are these needed to assist with specification, evaluation, finance or legal work? Build in sufficient time to procure these in accordance with CSO and select these carefully. Ensure they are approved by appropriate head of profession and that no conflict of interest arises between this and their other work. Can you use in-house resources instead?
- ◆ **Specification** - when specifying requirements, think long-term and build in flexibility and change management. Specify service outputs or outcomes – what *result* you require delivered rather than *how* it will be delivered.
- ◆ **Risk assessment** – produce a risk register and explore how risks can be managed. If our in-house companies may bid, ensure 'chinese walls'.
- ◆ **Post tender negotiation** – if not above relevant EU regulation threshold, do you expect to do this? If so you need to state this in the invitation for bids.
- ◆ **Contract management and performance measurement** – clearly state performance measures and how they will be monitored. Build in contract reviews and opportunities for withdrawing from the contract or changing it.

Pre-contract checklist *(continued)*

- ◆ **Equal opportunities** – throughout the contracting process endeavour to eliminate unlawful discrimination and promote equality of opportunity. Do an equalities impact assessment. Where equalities are relevant, include proportionate requirements in your procurement to meet customer needs.
- ◆ **Sustainability** – assess the effect on the community's social, economic and environmental well-being and the authority's environmental accreditation (see the Sustainability checklist in the Supplementary Guide to Service Review and Procurement). Have whole life costs been considered including environmental & community costs? Invite bidders to demonstrate effective use of their supply chain and give them the option to specify additional community benefits.
- ◆ **Evaluation and award criteria** - State that award will be to the most economically advantageous tender (MEAT) and decide evaluation criteria including an acceptable price/quality balance. The agreed criteria must be publicised to bidders signifying the weighting of each. Ensure appropriate and adequate information is required from bidders to allow you to assess and compare the contractors economic, financial and technical ability & capacity and that tenders include all information necessary to judge bids against chosen criteria. Walk the evaluation model through with the proposed evaluation team before you invite bids to ensure it will work.
- ◆ **Code of Practice on workforce matters** - is a transfer of staff likely - whether from NCC to a new contractor or between contractors? Staff displaced by the contract can expect to be transferred. A rule of thumb is that staff who work over 50% of their time on the contract may have a case to be considered for transfer. You must state in the invitation to bid that, where decided as appropriate, NCC would expect a TUPE-style staff transfer to occur in accordance with the Code of Practice on Workforce Matters (see Chapter 39 of the Purchasing Guide). Liaise with HR and ensure you have adequate data to give those invited to tender relating to salary scales, pensions and other terms and conditions, industrial relations, promotion and development. Remember in the new contract to ensure that this information is made available for the next contract round!
- ◆ **Two tier workforce** – if there has been an original staff transfer from NCC after 13th March, 2003, you need to monitor terms and conditions of the whole workforce throughout the contract term. This is to ensure newly appointed staff to the contract are on an equivalent staff package compared to original transferees and are given access to the required minimum pension scheme. You must be prepared to be audited on such contract information as the Government will inspect compliance.
- ◆ **The Contract** – what form will this take? Is there a standard form that is appropriate? Have you covered the Council's Standard Conditions of Contract? Are there any special data protection or intellectual property implications? If in doubt on any of these points, check with Legal Services.
- ◆ **Suppliers guide** – why not send applicants this guide? Above all ensure applicants have full information relating to our requirements and procedures.