

To	Improvement and Efficiency Commission
From	Clare Tetlow MCIPS
Purpose	To provide an update to the Improvement and Efficiency Commission regarding progress and developments within the AGMA Procurement Hub.
Date	13th April 2010

1. Background

The purpose of this report is to inform the Improvement and Efficiency Commission (IEC) of progress and development within the AGMA Procurement Hub. This report will illustrate the current status of each of the key projects and provide an update regarding the discussions around the future structure and funding for the team.

2. Current focus

The recent decision to align the APH with Collaborative Efficiency Programme (CEP) represents a great opportunity for collaborative procurement to make a significant contribution to the efficiency savings required in the forthcoming financial year. Careful focus and discussion is therefore being devoted to the development of a procurement delivery model and a suitable funding mechanism. The IEC will receive a regular update regarding our progress in this area.

3. Progress to date

A summary of the current status of each of our key projects is provided at Annex A. Included within the summary is an indication of the expected usage of the collaborative arrangements and the estimated efficiencies that will be derived from each area of activity. The projected efficiency figures are historical and accordingly, significant work is underway to update and ensure accuracy and transparency in this area. We will shortly be implementing processes and reporting mechanisms that will facilitate a greater understanding of the use of all collaborative arrangements, the scope for potential growth and the constraints that are faced by each local authority and partner within the sub region. The IEC can therefore expect to receive more detailed updates in the future regarding benefits realisation and collaborative participation.

4. Next steps

The APH will continue to build on the positive work undertaken to date and will begin to work closely with the CEP. It is therefore expected that the scope of procurement influence will increase as our relationship develops, for example in areas such as social transport and vehicle procurement. The IEC will receive regular updates regarding progress in this area.

Annex A

Project	Current status	Projected efficiency	Usage	Start date
Aids and Adaptations	The funding for the project was secured from NWIEP's Efficiency and Transformation Fund and a delivery plan has now been submitted. Recruitment of a project manager will begin imminently.	£700,000 (realised between 2011 and 2014)	All authorities are interested in participation in this exercise.	Jun 2010
Design and Print	The appetite and potential to collaborate within these areas remains following the completion of feasibility report by JMCL Consultants. A procurement strategy and specification will now need to be developed in order to move the project forward.	£3.3m per annum	All authorities have indicated that they would be interested in participating in a collaborative exercise.	July 2010
Energy	A meeting was held with in house buyers from Manchester CC, Salford CC and Stockport CC on the 12 th March 2010 where Manchester CC expressed an interest in letting a collaborative framework. The meeting highlighted a need to ensure that our work in this area considers pan government policy on energy procurement and the Hub will be meeting with the OGC on the 1 st April 2010, before the decision on this project is finalised.	Dependent upon procurement strategy and the conditions of the energy market at the point of purchase.	Subject to the agreement of an appropriate procurement strategy, expressions of interest are noted from Manchester CC, Salford CC, Trafford CC, Stockport CC and GMP. The remaining authorities procure through recommended solutions such as YPO or Buying Solutions.	October 2010
Executive Search	The sourcing to establish and review existing frameworks is now underway and a meeting to review the Cabinet Office framework agreement is scheduled for the 13 th April 2010.	To be confirmed.	All authorities have indicated that they will be utilising the framework agreement when it is available.	August 2010
Mobile Telecommunications	The framework agreement has now been concluded and authorities and partners are able to access the agreement as and when their business need arises.	£1.5 million	All with the exception of Manchester CC and Warrington CC.	
Pest Control Chemicals and Associated Equipment	The framework agreement will be concluded in early April 2010 and authorities and partners will be able to access the agreement as and when their business need arises.	£50,000 per annum	All authorities have indicated that they will be utilising the framework agreement.	April 2010
SpendPro	The application for additional funding for an enhancement programme has now been submitted to NWIEP. A commercial model is also in development.	£480,000 per annum	All authorities and partners across the sub region are either using the tool already or have expressed an interest in doing so following the introduction of a commercial model.	April 2010
Third Party Top Up Fees	This project will look to develop a case study of the commercial work undertaken at Stockport CC.	To be confirmed.	To be confirmed following further discussion.	April 2010