

OVERVIEW AND SCRUTINY COMMITTEE

13th August 2013

PROCUREMENT REPORT – POTENTIAL TO MAKE SAVINGS IN PROCUREMENT OF MISCELLANEOUS “PERIPHERAL” RESOURCES

Relevant Portfolio Holder	Councillor John Fisher, Portfolio holder for Corporate Management
Portfolio Holder Consulted	Yes
Relevant Head of Service	Teresa Kristunas, Head of finance and Resources
Non-Key Decision	

1. SUMMARY OF PROPOSALS

This report details current arrangements for procuring miscellaneous “peripheral” items at the Council and the potential for savings to be made by the Council in these areas.

2. RECOMMENDATIONS

The Committee is asked to RESOLVE that

the report be noted.

3. KEY ISSUES

Background

- 3.1 The Overview and Scrutiny Committee requested a report on 23rd July 2013 concerning the potential for savings to be made by the Council in the procurement of miscellaneous “peripheral” resources. In particular, Members requested further information about the potential for savings to be made when procuring: stationery, including paper; ink cartridges and print toners; and refreshments.

Current Status

Stationery

- 3.2 Stationery is currently procured utilising the Birmingham City Council contract with Office Depot. As a consequence Redditch Borough Council benefits from much more competitive pricing because of the significant aggregation in spend. All local authorities in Worcestershire currently use this arrangement and it would be very unlikely that the Council could improve on this pricing. The total spend per annum on stationery products is £25k per annum which represents 0.037% of the Council’s total Revenue Spend.

Ink Cartridges and Toners

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- 3.3 The Council is supplied with toners at no cost as part of the Council's contract for multi functional devices (printers / photocopiers). Therefore this is an area which Officers would suggest does not require any review as no savings need to be made in a situation where there is no cost to the Council.
- 3.4 There are a very small number of print cartridges purchased for the Council. At present elected Members are the main purchasers of cartridges, though only eight Councillors have ordered cartridges in the past two years.

Refreshments

- 3.5 The Council can supply tea and coffee at meetings when ordered. The main consideration when procuring tea and coffee has tended to be the source of these beverages. In recent months the Climate Change Panel has investigated this subject further by reviewing the potential to introduce fair trade sources of tea and coffee. A source of fairtrade refreshments has been selected and this should lead to savings for the Council in the future.
- 3.6 Members are asked to note that the Council currently spends £2,000 per annum on tea and coffee which represents 0.002% of the total revenue spend.

Financial Implications

- 3.7 The financial implications, where relevant, are detailed above under key issues.

Legal Implications

- 3.8 There are no legal implications to this report.

Service / Operational Implications

- 3.9 Whilst there are limited opportunities to make any significant savings in the area of "peripherals" the Committee may wish to consider investigating the potential for savings to be made in other service areas. Examples of areas that could be reviewed further to identify the potential to make savings for the Council include: Building Maintenance and Mobile Telephones.

Customer / Equalities and Diversity Implications

- 3.10 There are no specific implications for the customer to this report and no equality and diversity implications.

4. RISK MANAGEMENT

No risks have been identified.

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5. BACKGROUND PAPERS

50 Ways to Save: Examples of Sensible Savings in Local Government, DCLG, 2012.

6. KEY

DCLG – The Department for Communities and Local Government.

AUTHOR OF REPORT

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