

Scrutiny-Sub-Committee for Corporate Management Issues

30 August 2005



Procurement and Efficiency

Report of Head of Overview and Scrutiny

Purpose of Report

1. To explain the presentation which will be given to the Sub-Committee about Procurement and Efficiency.

Background

2. The Sub-Committee will be receiving a presentation about the Council's Procurement arrangements for securing goods and services. There will also be an explanation of the Council's approach to efficiency issues.
3. Both these issues are important matters for consideration by the Audit Commission in relation to the new annual use of resources assessment as part of the Comprehensive Performance Assessment of the Council. The use of resources assessment comprises of five elements – financial management, financial standing, internal control, financial reporting and value for money.
4. In relation to value for money, the role of procurement of services is an important factor. Also, value for money is linked very closely with the Government's efficiency review (the Gershon review) which requires local authorities to prepare annual efficiency statements for submission to Central Government.
5. The presentation will be given by Bill Richards, Head of Procurement, and Roger Goodes, Head of Efficiency, who are both located in Corporate Services. An outline of the presentation is attached.

Recommendation

6. You are asked to consider this presentation.

Contact: Ian Mackenzie Tel: 0191 383 3506

PRESENTATION TO SCRUTINY ON PROCUREMENT AND EFFICIENCY

The following summarises the main areas to be covered in the presentation:

- Joint presentation on Procurement and Efficiency
- Part 1 Procurement
 - What is it
 - DCC policy
 - Adherence to policy
 - Value to council
 - Organisation
- Part 2 Efficiency
 - Definition and clarification
 - Gershon and what this means
 - Wider implications of efficiency – impact on councils resources and decisions required
 - Governance proposals for managing change in delivering the 'efficiency agenda'
- Part 3 Activity and Objectives
 - Overlap of efficiency and procurement in achieving results
 - Drivers for change
 - Current initiatives
 - E-procurement
 - Efficiency centres, e.g. procurement, transport
 - Measurement of success – efficiency statements, VFM
 - Future ambition