

**POLICY & RESOURCES CABINET BOARD**

**11<sup>th</sup> July 2013**

**DIRECTORATE OF FINANCE & CORPORATE SERVICES**

**REPORT OF THE HEAD OF ICT -  
STEPHEN JOHN**

**INDEX OF REPORT ITEMS**

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<b>SECTION A – MATTERS FOR DECISION</b>		
<b>Report Item</b>	<b>Page Nos.</b>	<b>Wards Affected</b>
1. Provision of an Occupational Health Physician Service	2-5	All
<b>SECTION B – MATTERS FOR INFORMATION</b>		
2. Forward Work Programme – Corporate Procurement Unit	6-11	All

## **PART 1**

### **SECTION A – MATTERS FOR DECISION**

#### **ITEM 1 - PROVISION OF AN OCCUPATIONAL HEALTH PHYSICIAN SERVICE**

##### **1. Purpose of Report**

- 1.1 To seek Members approval to award the contract for the Provision of an Occupational Health Physician Service from 1<sup>st</sup> August 2013 to 31<sup>st</sup> July 2015 (with the option of two further one year extensions).

##### **2. Background**

- 2.1 The Council's current contract is with Caer Health Services Limited and expires on 31<sup>st</sup> July 2013. The contract covers the provision of Occupational Health Physician Services to Neath Port Talbot County Borough Council.
- 2.2 A Project Team consisting of representatives from Corporate Procurement, Human Resources and the Occupational Health unit was established to carry out the tender evaluation.
- 2.3 A secondary competition tender was carried out under Lot 2 'Management Referrals Occupational Health Physician' of the Welsh Purchasing Consortium (WPC) Framework CCBC/PS1058/11/HLS 'Framework Agreement for the Provision of Occupational Health and Associated Services'. In accordance with the European Procurement Directives, the WPC Framework CCBC/PS1058/11/HLS was advertised in the Official Journal of the European Union.
- 2.4 In relation to the secondary competition tender, the supplier who is ranked in first place will be the Occupational Health Physician and the supplier who is ranked in second place will become the second opinion physician.
- 2.5 The suppliers that were invited to tender were:
  1. Caer Health Services Limited
  2. Elite Occupational Health
  3. IMASS
  4. Workare
  5. Insync

### **3. Financial Implications**

- 3.1 The annual expenditure for the provision of Occupational Health Physician Services to Neath Port Talbot CBC is estimated at £100,000.

### **4. Outcome of Tendering Exercise**

Four tenders were returned and the suppliers that bid are listed below

1. Insync
2. IMASS
3. Workare
4. Caer Health Services Limited

#### **4.1. Assessment of Tenders**

An Evaluation of tender submissions was undertaken using a 50% quality, 50% price split.

The tenders were evaluated as follows:

#### **4.2. Technical**

In this section suppliers were required to answer a number of questions to assess their technical ability in providing the required service. This consisted of a number of “open questions” where suppliers were asked to provide a free text response. These responses were scored by a representative from Human Resources and a representative from the Occupational Health Unit.

#### **4.3. Commercial**

Suppliers were required to quote their rate per 3.5 hour session.

### **5. Recommendation**

It is recommended that Caer Health Services Limited be awarded the contract as the provider of an Occupational Health Physician Service, on the basis that they offer the most economically advantageous proposal, with Workare awarded the contract as the second opinion physician.

## **6. Reasons for Proposed Decision**

To ensure the Authority complies with the European Union Procurement Directive and the Council's Contract Procedure Rules.

### **List of Background Papers**

NPT file reference 1177 – Tender documents and associated supplier response file.

### **Wards Affected**

All

### **Officer Contact**

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## COMPLIANCE STATEMENT

### PROVISION OF AN OCCUPATIONAL HEALTH PHYSICIAN SERVICE

(a) **Implementation of Decision**

The decision is proposed for implementation after the 3 day call-in period.

(b) **Sustainability Appraisal**

**Community Plan Impacts:**

Economic Prosperity	No impact
Education and Lifelong Learning	No impact
Better Health and Well Being	Positive
Environment and Transport	No impact
Crime and Disorder	No impact

**Other Impacts:**

Welsh Language	No impact
Sustainable Development	No impact
Equalities	Positive
Social Inclusion	Positive

(c) **Consultation**

There has been no requirement under the Constitution for external consultation on this item

## **PART 1**

### **SECTION B – MATTERS FOR INFORMATION**

#### **ITEM 2 - FORWARD WORK PROGRAMME – CORPORATE PROCUREMENT UNIT**

##### **1. Purpose of Report**

- 1.1. The purpose of this report is to update members on the Forward Work Programme of the Corporate Procurement Unit (CPU).
- 1.2. The information in the report relates only to the tendering work undertaken by the CPU. Information regarding the eProcurement project will be reported at a later date.

##### **2. Background**

- 2.1. The CPU supports the requirements of all departments of the Council in delivering contractual arrangements that support effective service delivery, provide value for money and support local businesses in being able to tender for and win Council contracts.
- 2.2. The department also utilises latest Procurement technologies to support efficient tendering processes, making the experience more user friendly for both council staff and potential suppliers.
- 2.3. Two key work streams of the unit are eSourcing and compliance reviews.

##### **3. Forward Work Plan**

###### **3.1. eSourcing**

- 3.1.1. The Council is continually progressing with the use of eSourcing tools, which enable tender exercises to be conducted as a fully electronic process using online software.
- 3.1.2. The software is provided to the Council free of charge under a licence agreement between the software provider, Bravo Solutions and the Welsh Government.
- 3.1.3. Adoption of the software is becoming more prevalent within the section for larger value contracts for both the Council, and those that are conducted collaboratively.

- 3.1.4. The software provides many benefits including the lack of large paper submissions being received and improved record keeping for Audit purposes.
- 3.1.5. Forthcoming contracts which are proposed to be run through the eSourcing tools over the next 6-12 months are as follows:
- South West Wales Regional Ground Investigation Services
  - Post Office Payment Services
  - Home to School Transport Services
  - SWTRA Lighting Maintenance
  - SWTRA Traffic Signals Maintenance
- 3.1.6. Current and recently completed tenders on the system are:
- Welsh Purchasing Consortium (WPC) framework for the supply of Library Audio Visual Services
  - Home to School Transport
  - Operative Plant Hire
- 3.1.7. Home to school transport has also been run utilising eAuctions, which assist in delivering further cashable savings to the Authority by allowing tenderers to reduce their submitted tender prices further through a reverse auction process.
- 3.1.8. As with previous eTenders, where appropriate, we will run “meet the buyer” events in conjunction with the Local Supplier Champion and the Authority’s Economic Development team. These will be tailored to the contract and provide an opportunity to interact with the supply market, explain our position and encourage local businesses to bid for the work.
- 3.1.9. The Supplier Champion also assists local suppliers in the Borough in providing group and one to one training on the use of electronic sourcing tools through how to tender workshops, which are all provided free of charge.

### 3.2. Compliance Review

3.2.1. Contracting and tendering work continues to be highly active with a wide range of tendering activities being carried out in new, recurring and one off areas. The following highlights arrangements that are currently being worked on by the Procurement team in conjunction with the relevant service:

- Operative Plant Hire
- Neath Fair Generator Hire
- Various Fleet Procurement exercises
- Tree Felling Services
- Occupational Health Physician Services
- Croeserw CEC Catering Franchise
- Margam Park Bike Shop Lease
- Sale of Land at Aberavon seafront
- Regeneration Evaluation Project
- Afan Lido Redevelopment
- Home to School Transport
- Local Bus Transport
- Banking Services
- Agency Labour
- SWTRA Traffic Signal Maintenance
- SWTRA Street Lighting Maintenance

3.2.2. Forthcoming contracts that are planned to be tendered over the next six months include:

- Supply of Rock Salt
- Post Office Payment Services
- Domiciliary Care Services for Older & Disabled People
- Learning Disabilities Domiciliary Care Services
- South West Wales Regional Ground Investigation Services
- Security Services
- Landline Telecommunications
- Stationery & Paper Supplies
- Fresh & Frozen Meat



3.2.3 This list is not exhaustive as a large proportion of the Procurement Team's work is now covered by one off projects that we are not aware of as part of our central contracts register. Such projects include European funded or other similar requirements, which are often of a low value, but can still be complex in their nature due to the stipulations laid down in the grant conditions relating to procurement.

3.2.4 Members will also be aware of The National Procurement Service (NPS), which is the Welsh Government hosted service that will deal with common and repetitive cross sector spend in Wales. This service is proposed to 'go live' later this year and has indicated savings across the public sector of between £9m and £24m. At the current time, the only contracts that have been undertaken, or are due to be undertaken by the CPU that would be covered by the initial remit of the NPS, are the provision of Agency Labour, Stationery & Paper supplies and certain elements of the fleet procurement. All other areas would still rest with the Authority or potentially with the WPC.

3.2.5 Recently realised savings from tendering activity include:

Financial year of 2012/2013

<b>Title</b>	<b>Recorded Saving 2012/2013 £</b>	<b>Contract Type</b>
<b>Savings Against Previous Costs<sup>1</sup></b>		
Supply of General Groceries	67,067	WPC Framework Call Off
Supported Living Service	165,000	NPT Contract
Home to School Transport	885,000	NPT Contract
<b>SUB TOTAL</b>	<b>1,117,067</b>	
<b>Savings Against Budget<sup>2</sup></b>		
Recruitment & Advertising – Chief Officer Appointments	24,000	NPT Contract
Park House Residential Short Break Services	50,000	NPT Contract
Homecare Electronic Call Monitoring	27,085	NPT Contract
Various Fleet Procurement Exercises	94,435	NPT Contract
<b>SUB TOTAL</b>	<b>195,520</b>	
<b>Savings Against Grant Monies<sup>3</sup></b>		
Western Bay Social Care Consultancy	2,669	NPT Contract
Margam Park Smartphone App	9,650	NPT Contract
<b>SUB TOTAL</b>	<b>12,319</b>	
<b>GRAND TOTAL</b>	<b>1,324,906</b>	

Financial year of 2013/2014

<b>Title</b>	<b>Recorded Saving 2012/2013 £</b>	<b>Contract Type</b>
<b>Savings Against Previous Costs<sup>1</sup></b>		
Highways Maintenance & Traffic Products	45,499	WPC Framework Call Off
*Home to School Transport	347,000	NPT Contract
M&E Maintenance of Civic Sites	119,936	NPT Contract
Supply of Library Books	12,140	NPT led WPC Framework
*Agency Labour	168,752	Pro5 Framework Call Off
Childcare Voucher Scheme	4,700	Pro5 Framework Call Off
<b>SUB TOTAL</b>	<b>698,027</b>	
<b>Savings Against Budget<sup>2</sup></b>		
Commercial Property Grant Consultancy	13,975	NPT Contract
Property Development Fund Consultancy	104,390	NPT Contract
Neath Fair Generator Hire	10,285	NPT Contract
Margam Park Drainage Works	28,855	NPT Contract
Consultancy for Land at rear of Park Avenue	10,869	NPT Contract
<b>SUB TOTAL</b>	<b>168,374</b>	
<b>GRAND TOTAL</b>	<b>866,401</b>	

\*Forecasted savings figure, tender not complete.

<sup>1</sup>Where the saving achieved is a result of the cost of goods or services currently being purchased are reduced through competitive tendering

<sup>2</sup>Where the saving achieved is a result of the winning bid/price being lower than the budget figure provided by the client department

<sup>3</sup>Where the saving achieved is a result of the winning bid/price being lower than the grant money attributed to the procurement.

#### **4. Recommendation**

That Members note the report.

#### **5. Reasons for Proposed Decision**

To advise Members of the Forward Work Programme of the Corporate Procurement Unit and highlight the efficiencies obtained through electronic / tendering processes.

#### **Background Papers**

Procurement Files

#### **Wards Affected**

All

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