

NORTH YORKSHIRE COUNTY COUNCIL

CORPORATE AND PARTNERSHIPS OVERVIEW & SCRUTINY COMMITTEE

12 September 2011

ANNUAL REPORT ON PROCUREMENT

Report of the Corporate Director – Finance and Central Services

1.0 PURPOSE OF REPORT

- 1.1 To invite the Committee to consider a range of information relating to procurement activity during 2010/11.

2.0 BACKGROUND

- 2.1 This report brings together a number of areas of information relating to procurement activity during 2010/11.
- 2.2 In previous years, the Committee has considered occasional thematic reports on procurement issues. For example, last year there was a full report on sustainability in procurement. There was a request for a report back on this matter to be submitted on an annual cycle. At its last meeting, the Committee received a general procurement update report, and this provided some further background to current procurement issues.
- 2.3 In considering the Forward Plan arrangements for the current year, however, and with the agreement of your Chairman, it was considered appropriate to pull together a number of procurement related strands into one overall annual procurement report which will provide a more general overview of procurement activity over the last year.

3.0 THE IMPORTANCE OF GOOD PROCUREMENT

- 3.1 The importance of effective procurement activity is obvious, when one considers the amount the County Council spends on goods and services.
- 3.2 The draft County Council revenue accounts for 2010/11, shows that approximately £500m, half of everything we spend, was for premises, transport, supplies and services, and contracted services expenditure. In addition there was capital expenditure of £131m during that year
- 3.3 This figure above includes expenditure incurred by schools, and it should be noted that detailed analysis of that school expenditure is held only within local schools accounts.

- 3.4 As part of the ongoing work within the procurement action plan, the County Council has undertaken, during 2010/11, a “spend analysis” exercise. This was based on outturn information in respect of 2009/10. This exercise has been completed on a standardised basis with other authorities in the region, so that a common data set is now available for most of those authorities, which will allow consideration to be given to possible collaborative procurement arrangements in future.
- 3.5 The starting point for that analysis was the record of payments made for non-school expenditure excluding certain ‘redacted’ data relating to personal payments, where Data Protection Act considerations meant that information was not submitted to the spend analysis company. Examples of redacted data would be foster care payments and direct payments to those using the Social Care Direct Payments Scheme.
- 3.6 The spend analysis system makes it possible to analyse that spend against standard category classifications, representing the types of goods and services purchased. Whilst this approach is not perfect, in that it relies on analysing spend with particular suppliers against a standard business classification for each supplier, it does give a good overall view of spend patterns. A summary, using the standard categorisation is shown in **Appendix 1**, and gives an overall analysis of £380.6m.
- 3.7 The information contained within the spend analysis is being used to identify areas of spend that may benefit from improved procurement practices. For example, in some spend areas, there may be contracts in place, but these may not be being used by all cost centre managers across the organisation. This may be for a range of reasons. Either managers are unaware of the contract, or that contract may not be flexible enough to cover all requirements for that particular type of goods and service. In some areas, the spend analysis is identifying a level of spend of a particular type, that may suggest that either corporate or Directorate consolidation of that requirement may lead to a worthwhile and cost effective procurement exercise. As mentioned above, the possibility of collaboration with other authorities is being discussed as part of this spend analysis project.
- 3.8 This work is ongoing, and reports will be submitted to CPMWG during the course of the year. It is anticipated that a number of new procurement initiatives will arise from this work, and these can be reported as part of next year’s annual report to this Committee.

4.0 **MANAGING THE PROCUREMENT PROCESS**

- 4.1 The Public Contracts Regulations 2006 outline the procurement regulations established through the EU consolidated directive, which are now enshrined in UK law. These regulations only apply to procurements that exceed certain threshold values, below which local procedural rules and regulations are applied. The County Council rules, set out in the Contract Procedure Rules within the Constitution, provide the framework within which all procurement must be undertaken. In particular this sets out tendering limits and the need to seek formal tenders or quotations as a matter of course for procurements which exceed an estimated whole life cost of £10k. Written quotations may also be sought for spend above £5k but less than £10k. There are a number of specific exemptions, relating to the use of existing agreements through buying organisations such as the Yorkshire Purchasing Organisation, and in respect of social care contracts.

- 4.2 Good procurement is not only about financial value. It is important that the specification for a procurement ensures that we are buying what we need, in terms of service outcomes, at the right quality, and that we take account of sustainability in its widest sense. This will include issues about the impact on the local economy. We also need to ensure that equality issues are taken fully into account. These issues are covered later in the report.
- 4.3 There is a need to ensure the overall process manages risks, and that these are mitigated wherever possible. Consideration of these issues is addressed through the risk analysis process, applied to all larger procurements, and by the implementation of the Gateway process in 2010/11. Risks are also dealt with through supplier pre-selection using the Pre-Qualification Questionnaires (PQQs) that are issued to potential suppliers during a restricted procurement process. Risk can also be managed through the specification of service, which includes such things as determining break points, contract management regimes etc.
- 4.4 Within the framework described above, Directorates compile Forward Procurement Plans (FPPs) that now cover a rolling three year period and are reviewed on a quarterly basis.
- 4.5 During 2010/11, a number of important decisions were taken to align the procurement financial limits in the Contract Procedure Rules with the limits used to compile the FPP, and for all these procurements to be managed using the County Council's e-procurement tool, currently SCMS. In this way, procurements above £10k in value can be managed in a consistent fashion. The use of SCMS provides an effective way of ensuring that all key procurements are publicised in a transparent way to potential suppliers. An exercise is underway, regionally, to reprocure this tool following the end of the SCMS contract. The same approach will be taken with the system chosen under this reprocurement exercise.
- 4.6 Information on the award of a final contract is captured in a standard Contracts Register. Developments were undertaken during 2010/11 to ensure that the way contract and spend data was collected complied with the new requirements for Transparency, introduced by the Government from January 2011. Initial emphasis was given on the completion of the analysis and publication of spend data for all items of expenditure above £500 on a monthly basis. The first Contract Register that complies with the Transparency guidance has recently been published, and timetables are in place for this to be updated quarterly.
- 4.7 To give an idea of procurement activity, during 2010/11, 381 procurements were carried out using the SCMS system.
- 4.8 The Contracts Register currently holds 1816 records.
- 4.9 Details of the most important contracts by value are included as **Appendix 2**.
- 4.10 Within the context of procurement in 2010/11, there were clearly a range of relatively straightforward procurements for day to day items, together with more significant procurements for high value or complex services. Directorates have been asked to identify examples of noteworthy procurements for the purpose of this report and these are described in **Appendix 3**.

5.0 SAVINGS OBTAINED FROM PROCUREMENT EXERCISES OR CONTRACT MANAGEMENT

- 5.1 The potential to make financial savings, or increase the value obtained, will depend on the nature of the procurement and the market conditions within which it has been undertaken.
- 5.2 It is not always easy to measure the financial outcome of a procurement exercise.
- 5.3 Clearly, if the exercise has been to reprocur goods or services purchased in the past, then it should be possible to assess whether a saving or additional cost has been incurred at the point of reprocurement. Account will need to be taken of any change in specification, and any price advantage that might have been gained through that procurement.
- 5.4 When procuring new items, or in situations where a “like for like” comparison cannot be made, it is more difficult to assess savings.
- 5.5 This means that the methodology needs to reflect a range of different scenarios. This methodology has been subject to review for 2011/12.
- 5.6 It is important, of course, to recognise the issues that can affect price and value, many of which are not straight forward to track in isolation. These include:-
- Changes in specification
 - Changes in technology which may have a positive or negative effect on price
 - Market conditions, including changes in the amount of competition amongst suppliers in this market.
 - Inflation since the contract was last awarded
 - The impact of exchange rates
- 5.7 Attached at **Appendix 4** is information collected during 2010/11 on a range of procurements undertaken during that year. This indicates a number of significant savings that were achieved during the year, but the way in which this information was collected did not provide a comprehensive summary of all savings arising from procurements, neither did it compare and contrast situations where additional costs may have been incurred for whatever reason.
- 5.8 As well as procurement related savings, added value or cost reductions can often be obtained through proactive contract management during the course of any contract. The same appendix includes information on a number of such savings identified during 2010/11. As reported to the last meeting of the Committee, the Procurement Strategy and Action Plan recognises the added importance that must be given to this aspect of the procurement cycle in future.
- 5.9 Taking account of all the issues mentioned above and as part of the service planning work for 2011/12, it was recognised that the existing arrangements lacked clarity, and that there were inconsistent approaches which did not allow us to take an overall view of all savings, or indeed additional costs, arising at the point of procurement, or through contract management.

5.10 As part of the 2011/12 Procurement Action Plan, a new methodology has been introduced which should allow more comprehensive and consistent information to be collected and reported during the current financial year. The intention is for this system to concentrate on the more significant procurements and reprocurments with a value over the length of the contract of £156k or more, being the equivalent of the EU threshold. Significant savings arising from contract management will also be captured.

6.0 THE IMPACT OF PROCUREMENT ON THE LOCAL ECONOMY

- 6.1 It is a common misconception that ‘Sustainability’ merely addresses environmental issues. Whilst this is an important aspect which is addressed in the next section of this report, it is important to remember that, from a procurement perspective, sustaining the local economy is also a consideration. The legal requirement under the EU Directives for a ‘level playing field’ means that it is not possible to have a policy restricting procurement to local firms. There are, however, a number of matters that can be taken into account which allow some flexibility that can help to ensure local firms, and particularly Small and Medium Sized Enterprises (SMEs) are in a position to compete for the County Council’s business.
- 6.2 These must, of course, be balanced carefully. The main aim of the County Council’s procurement must always be to ensure best value. Issues that may assist local, as against national, organisations will be dependent on the nature of the procurement, but may include for example: response times, carbon footprint, freshness of goods (where applicable). In this way, it is possible to use sustainability in its widest sense to enable local businesses, including local SMEs to compete on more equal terms with larger national suppliers.
- 6.3 It is also legitimate to break large procurements into smaller Lots making them more SME friendly, provided this is not seen as disaggregation to get below the EU limit for a procurement project. Due regard must be taken for the Council’s need to ensure overall value for money. Where this approach is adopted, it is often possible to develop tender documents that allow for the possibility of larger organisations tendering for all Lots, where as smaller organisations may only tender for a part of the overall requirement. In this way, a “best fit” can be achieved, giving overall value for money. Care needs to be taken, when using this approach, to ensure that subsequent contract management arrangements are also cost effective.
- 6.4 Examples of where the Council has made good use of procurement for a positive impact on the local economy are at **Appendix 5**

7.0 THE ENVIRONMENTAL ASPECTS OF SUSTAINABILITY

- 7.1 This section provides an update on sustainability matters, following on from the consideration of a report on sustainability in procurement, considered by this Committee in June 2010.
- 7.2 The implementation of sustainable procurement practices seeks to reduce the negative impacts of the County Council’s purchases on the environment, the community and the economy and where possible produce a positive impact in some

if not all of these areas. The impacts on the local economy were dealt with in the last section of this report so this section deals mainly with environmental impacts.

7.3 In the June 2010 report, the following procurements were identified for reporting on sustainability achievements:

- ACS – Electronic Monitoring System for In House Domiciliary Care, Housing Related Support for Single Homeless Accommodation and Library and Information Services Radio Frequency Identification.
- BES – Highways Maintenance Contract (HMC) and Integrated Passenger Transport. In addition information on Public Rights of Way Structures & General Contracting Procurement has been provided along with sustainability reporting for the current Highways Maintenance Contract as examples of good practice.
- CEG – although no procurements were identified in the report of June 2010 the contracts relating to NY Times Printing and Website Hosting have been offered as examples of good practice
- CYPS – Schools ICT equipment, Provision of Work Related Training Services for 14-19 Year Olds, Provision of Specialist Day Care to Disabled Children and Young People, Independent Fostering Arrangements and Selection of Venues for Training and Other Events in North Yorkshire.
- FCS – Automatic Meter Reading and Upgrade of Energy Management System.

7.4 Details of the above are provided in **Appendix 6** but the key elements are as follows:

- The key areas of evaluation related to sustainability focus on resource use reduction, reducing the need to travel and staff care particularly Health and Safety.
- The County Council is an organisation that is responsible for delivering services many of which have a social benefit. There is positive sustainability impacts as a result of the procurements associated with this service provision. In many cases this is not identified, so some good practice is possibly being missed.
- There is still some confusion amongst officers concerning the definition of sustainability.
- Whilst there may be clear advantages to using existing procurement frameworks, eg those provided by YPO, this may mean that the opportunity to include sustainability criteria cannot be taken.
- The extent of the responses from BES clearly demonstrates sustainability criteria are easier to incorporate into construction or product procurements rather than the provision of services. However it is still the case that sustainability benefits can be achieved in procurements for services.

- 7.4 The results of the above reporting and the proposals for the implementation of slightly revised sustainable procurement guidelines, reported to this Committee at its June meeting, demonstrate that the use of sustainability criteria when undertaking procurements is being used by all Directorates, and that safeguards are now in place to ensure it takes place where appropriate. It is, therefore, proposed that future reporting on sustainable procurement achievements is undertaken in a different way.
- 7.5 It is proposed that on an annual basis sustainable procurement achievements are provided as part of this Annual Procurement Report. The report can then highlight appropriate examples of good practice from each Directorate. This will serve two purposes, to update Elected Members but also to make a wider circle of officers aware of existing good practice which can then be used by them to inform their own procurement activities.

8.0 EQUALITIES IN PROCUREMENT

- 8.1 Equalities are an important aspect of procurement activity and the Council is committed to supporting equalities through its procurement policy, processes and rules.
- 8.2 Officers are obliged to conduct an Equalities Impact Assessment when engaging in a tender exercise. Specifications are reviewed and any negative equalities aspects identified. Thereafter specifications are amended to remove or mitigate such impacts. In addition the Council has a risk based approach to equalities where procurements are graded as Minimum, Low, Medium or High risk in respect of equalities. Each risk category details a number of defined obligations that are placed on tenderers through the specification; the higher the risk classification, the more onerous the obligations placed upon the tenderers.
- 8.3 Equalities feature prominently in Contract Procedure Rules, where transparency, openness and fairness underpin all procurement processes. Such principles are further reinforced by the EU Procurement Regulations.
- 8.4 Equalities are firmly embedded in the Council's processes and procedures, and **Appendix 7** provides a number of examples of procurement projects which have incorporated equality and diversity aspects/practices within their specifications.

9.0 NEXT STEPS

- 9.1 A number of issues highlighted in this report reflect the changes and improvements being implemented during the current year for the way that we deal with and record information on procurement activity.
- 9.2 A range of these issues, set out in a new Corporate Procurement Strategy and related Action Plan, were reported to the July meeting of this Committee.
- 9.3 Further changes are likely to arise from the "One Council Workstream" dealing with procurement and contract management, which is referred to in another item on today's agenda.

9.4 Although this annual report has been timetabled to appear on the September agenda this year, it is appropriate, if Members wish to receive a similar report next year, for this to be submitted to the July Committee, and for the cycle to move to one more related to the usual financial cycle and performance reporting deadlines.

10.0 RECOMMENDATION

10.1 That Members note the content of this report.

10.2 That Members indicate whether they would wish to have a similar annual report in future years, and if so whether it should be considered at the July meeting.

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12 July 2011

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Background documents – None

An analysis of categories of expenditure 2009/10

Category of Spend	Total Spend in this Category in 2009/10 £
Social Community Care	99,251,944
Construction	97,090,925
Information Communication Technology	28,063,590
Public Transport	24,198,756
Education	10,634,818
Housing Management	9,813,125
Environmental Services	18,241,179
Human Resources	7,338,865
Financial Services	6,519,362
Utilities	5,141,046
Facilities & Management Services	4,506,867
Catering	4,021,668
Construction Materials	3,155,459
Vehicle Management	2,514,021
Healthcare	2,364,378
Consultancy	2,172,846
Legal Services (see note 2)	7,929,588
Stationery	1,519,670
Arts & Leisure Services	1,312,848
Mail Services	943,683
Horticultural	757,904
Sports & Playground Equipment & Maintenance	453,710
Cleaning & Janitorial	407,893
Street & Traffic Management	391,374
Furniture & Soft Furnishings	319,646
Health & Safety	263,239
Clothing	225,209
Highway Equipment & Materials	106,728
Domestic Goods	35,561
Sub Total of Analysed Category Spend	339,695,901
Uncategorised Spend	40,907,701
Grand Total	380,603,602

Note

1. This table is based on an analysis of expenditure against individual suppliers and their business classification. The spend analysis tool is not able to analyse all expenditure in this way, and the figure of £40.9m is in respect of uncategorised suppliers. The total includes sums paid by bank transfer that were not initially submitted to the expenditure analysis company.
2. The Legal Services category includes some payments to solicitors in respect of the completion of land purchases.

Details of significant contracts in place during 2010/11

Service Area Categorisation	Organisational Unit	Title of the Agreement	Start Date	End Date	Value of Contract for whole contract period	Supplier Name
Business and Environmental Services	BES - Highways	Highways Maintenance	01/04/2002	31/03/2012	350,000,000	Balfour Beatty WorkPlace Limited
Business and Environmental Services	BES - Waste Management	Waste and Disposal/Composting Contract 2005	01/07/2005	01/07/2015	63,200,000	Various
Finance and Central Services	F&CS - ICT Services	Wide Area Network	01/04/2008	31/03/2013	21,200,000	NYnet Ltd
Business and Environmental Services	BES - Waste Management	HWRC Management Contracts - Contract for the Management and Operation of, and the Transportation of Materials from Household Waste Recycling Centres within North Yorkshire (2010)	01/04/2010	31/03/2017	17,560,106	May Gurney Ltd
Childrens and Young Peoples Services	Childrens and Young Peoples Services	Forest Moor BESD School	04/10/2010	03/07/2011	5,143,389	I S G Regions Building Ltd
Finance and Central Services	F&CS - Insurance and Risk Management	Insurance for County Council	01/10/2006	30/09/2011	6,000,000	Zurich, Travellers, Risk Management Partners
Childrens and Young Peoples Services	C&YPS - Integrated Service	Provision of Information, Advice and Guidance for Young People in Schools and Colleges in North Yorkshire	01/10/2008	31/03/2011	4,500,000	igen Ltd
Business & Environmental Services	BES Integrated Passenger Transport	Harrogate Schools Network	29/04/2007	25/04/2015	4,085,141	Harrogate & District Travel
Adult and Community Services	A&CS - Commissioning & Partnership	Homelessness Prevention Floating Support Service - Harrogate/Scarborough/ Ryedale	01/07/2010	30/06/2013	3,376,000	Home Group Ltd
Chief Executives Group	CEG - Human Resources	Agency Staffing	01/11/2010	31/10/2013	3,000,000	Matrix SCM
Finance and Central Services	F&CS - CASU	HR/Payroll System Support	01/04/2000	31/03/2007	2,500,000	Northgate Information Solutions UK Ltd
Business & Environmental Services	BES Integrated Passenger Transport	Various Local Bus Services Combination Contract	01/05/2010	28/04/2013	2,499,279	Arriva Yorkshire

Details of significant framework contracts in place during 2010/11

Note – some of these frameworks are also open to other public sector bodies nationally or regionally

Service Area Categorisation	Organisational Unit	Title of the Agreement	Scope	Start Date	End Date	Extension Period	Value of Contract for whole contract period	Supplier Name
Finance and Central Services	F&CS - ICT Services	Managed Services	Council Framework Agreement	06/11/2003	05/04/2012		50,990,000	Computacenter UK Limited
Business and Environmental Services/Finance and Central Services	BES - Commercial Services Unit/ F&CS - Corporate Property Management	Engineering and Property Service	Council Framework Agreement	01/10/2006	01/10/2016		20,000,000	Jacobs UK
Chief Executives Group	CEG - Human Resources	Provision of a Green Car Employee Leasing Pan Government Scheme	Pan Government Collaborative Framework Agreement for all UK contracting authorities. Estimated total value of £20,000,000 and all public bodies.	01/02/2010	31/01/2013	31/01/2014	20,000,000	Tuskerdirect Ltd
Finance and Central Services	F&CS - Corporate Contracts	The supply and service multi functional devices (including the provision of print management services), desk top printers, duplicators and print equipment	Pan Government Collaborative Framework Agreement for all UK contracting authorities. Estimated total value of £20,000,000 across 6 suppliers and all public bodies.	01/01/2010	31/12/2012	31/12/2013	20,000,000	Various
Finance and Central Services	F&CS - Corporate Property Management	Framework Contract for Measured Term Responsive Building Maintenance	Council Framework Agreement. The estimated total value of £15,000,000 is across all suppliers.	01-02-2011	31-01-2014		15,000,000	Tom Willoughby Ltd

Noteworthy Procurements during 2010-11

1. Included below are a number of examples of particularly noteworthy procurements involving activity during 2010/11.
2. These are highlighted for a range of reasons:
 - their size and complexity
 - lessons learned, some of which can be shared across other procurements in future

Health and Adult Services Directorate (HAS)

Domiciliary Care

3. Domiciliary Care (or care in people's own homes) has been a complex area of procurement in North Yorkshire. This is due to the differing economic circumstances and the rural nature of the County which means that care workers may travel long distances between visits. The Directorate had embarked on a process that would involve appointing providers to specific zones in order to maximise efficiencies and capacity. The launch of the procurement process entailed meetings with providers and feedback from this and the first district based tender exercise caused a rethink. The danger was identified that low cost, but low quality providers would be attracted by the process and that the current workforce may be lost, leading to greater problems in the future.
4. The discussions with providers led to revised proposals being drawn up to seek a simplified pricing mechanism whereby providers for individual packages of care are chosen by a combination of capacity, quality and price. This model also fits with the drive towards Personalisation whereby individuals will have a personal budget that they spend on care. This development meant that more traditional cost and volume contracting would not be viable given the level of choice that an individual would have.
5. The pricing exercise was initiated in March 2011 and has led to a current verified saving of £700,000 per annum. Further work is ongoing in areas where pricing is judged by benchmarking to be still too high. This will lead to providers being given time to address current terms and conditions issues with their staff prior to lower prices being implemented in January 2012.
6. The process has restored confidence with providers who in the majority are small and medium North Yorkshire based enterprises. A number of joint initiatives are underway with providers to look at the procurement arrangements for purchase of care packages and the expectations of the care that can be provided within the purchased timeframes.

7. In essence the exercise has not only demonstrated efficiencies for the County Council, but has also engendered better and more cooperative supplier arrangements.

Business and Environmental Services Directorate (BES)

8. The most noteworthy procurement included on the BES Forward Procurement Plan 2010/11, and still ongoing, is the re-tender of the Highways Maintenance Contract. This is a large and complex multi-million pound contract covering a wide array of services ranging from winter maintenance to pothole repairs. The current highways maintenance contract with Balfour Beatty WorkPlace (BBW) expires at the end of March 2012. The procurement process was initiated in good time and involved a full options appraisal to ascertain the future scope of the new contract, recognising that there had been many changes since the current contract was let, for example the inclusion of a robust performance regime. In addition, it was also decided to run a parallel tender for street lighting maintenance at the same time as including it as an optional element of the HMC 2012 tender.
9. Following a robust PQQ phase and subsequent recommendation by the BES bid team a decision was taken by the Executive on 11th January 2011 to approve a shortlist of 5 companies, who were then invited to submit tenders for the new contract (HMC 2012). All 5 HMC 2012 tenders were returned on 17 June 2011. Compliance, variant bid checks and evaluation have now commenced.
10. The Key Decision notice associated with HMC2012 and street lighting was published on the County Council's Forward Plan on 14 June 2011, for Executive on 27 September 2011. The date for contract award is planned from 12 October 2011, which enables a 'mobilisation period' of 5 – 6 months. In a contract with a potential 10 year term and valued at approximately £250m, a mobilisation period of this duration is essential. The contract start date is 1 April 2012.
11. The size and nature of this procurement meant that issues such as sustainability could be addressed in a robust manner with specific requirements and statements of intent being highlighted.
12. The specific 'Sustainability' question contributes approximately 5% of the total Quality score, with other sustainability elements contained within some of the other questions. The question included in the tender is reproduced below to illustrate the approach adopted:

"NYCC has a minimum carbon reduction target of 20% by 2015, from a 2008/09 baseline.

- a) Provide evidence of your organisations carbon emissions for the delivery of the service required through this contract; this should be based on the annual carbon dioxide emissions from buildings and transport. A conversion table is provided for reference. (Maximum 4 sides of A4)
- b) Provide details as to how you would reduce the emission levels identified in (a) through the course of the contract. (Maximum 4 sides of A4)

- c) Provide evidence through a suitable case study of where you have used recycled materials on a previous contract. Include as a minimum as part of your response the percentages achieved and the relative impact of cost when compared to virgin materials. (Maximum 6 sides of A4)
 - d) Describe your proposals for the use of recycled or reusable materials and waste minimisation during the course of this contract. (Maximum 4 sides of A4)
13. A similarly robust approach was adopted with regards to Equalities and Diversity.
14. The HMC2012 procurement is not only a noteworthy procurement because of its size, complexity and value, but also because it has been conducted in a very professional manner and can be held up as a very good example of procurement best practice.

Chief Executives Group

15. Following a full OJEU procurement exercise for a HR/Payroll system NorthgateArinso were awarded the contract to supply the system on a managed service basis.
16. The managed service includes access to ongoing support and maintenance and comprehensive disaster recovery and business continuity.
17. The contract has been procured in such a way that the system and services can be delivered by NYCC to partner organisations (eg other local authorities in the region) under a managed service agreement.
18. The solution is adaptable and flexible and is therefore seen as a vehicle for delivering the continuing appraisal, evaluation and re-engineering of business processes within NYCC and its partner organisations, thus providing the opportunity for shared service agreements and, where appropriate, income generation for the service provider (ie NYCC).
19. The contract commences 1 April 2012 and will last for up to 10 years. It is anticipated that, the system and services provided by Northgate will cost NYCC on average £335k per annum and pricing clarifications have identified savings of approximately £50k per annum based on current pricing and approximately £73k per annum by reference to the original tender (where certain elements were over provided).

Children and Young Peoples Services (CYPS)

20. The majority of major goods and services contracts within CYPS were let prior to 2010/11 and therefore no significant procurement action was necessary during this period. Added to this the reduction in available budget meant a number of procurements that were planned for this period were suspended pending reallocation of funding. The majority of procurement activity therefore focussed on areas less affected by the EU regulations, such as homelessness and care provision. These are commonly known as Part B Services under those regulations.

21. Of particular note in respect of the procurement related to short term housing provision for young people and adults, was the collaborative approach taken together with all Districts, to engage service providers and end users in a joint procurement process to standardise the offer to market. This enabled a reduction in cost to be realised whilst ensuring acceptable levels of service were maintained. To achieve this cost reduction it was necessary to engage directly with individual service providers, rather than follow a traditional competitive procurement process.
22. To enable this approach to be used, the corporate procurement rules were subject to a waiver. The outcome was that levels of service could be maintained, despite a significant reduction in available budget. This would not have been possible if a traditional competitive process had been followed.
23. The fact that this was the first time that all Districts have joined in such a collaborative approach was a notable achievement in itself. A further benefit, however, was that it enabled a consolidated approach to be taken to the market, hence demonstrating to the service providers that this was a unified stance across all public sector bodies within the county. It is believed this was a key factor in enabling agreement to be reached.

Finance and Central Services

24. The most noteworthy procurement area relates to the new property framework contracts. Because of the link to support to local businesses, this has been included in **Appendix 5**, so is not repeated here.

Savings recorded on Procurement and Contract Management exercises for the period 2010 - 2011

Key

P1 Compared to previous prices

P2 Specification revision resulting in lower costs/prices

P3 Volume discounts achieved by consolidating demand

P4 Contract management/eliminate increased costs

P5 Rebate income

P6 Compared to budget/estimated costs

* Construction related savings whereby unknown costs can be introduced when work commences on site

			One Off	Ongoing		Contract Duration	Basis of Calculation	Comment
				Part Year 2010/11	Full Year Effect			
Procurement for 'ongoing' requirements								
1	BES	Highways / C.P.Management Vehicle Contract Hire Procurement	-	£9,514	£22,833	5 years	P1	Introduction of more efficient vehicles. A projected saving over the hire term of £137,000 mainly through fuel efficiency savings.
2	BES	A63 River Ouse Selby Swing Bridge *	-	£2,687	£32,248	4 years	P1	Contractor to carry out works in house reducing the costs of project managing sub-contractors. £128,000 overall saving on 4 year contract.
3	CEG	Agency Staff	-	£257,721	£618,531	18 months	P1	Adopted framework established by Worcestershire Council. 18 months remaining. Snapshot based on agency staff in place at implementation date.
4	CEG	Voluntary Benefits/Childcare Voucher scheme	-	£14,500	£43,500	4 years	P1	Employee rate and administration fee improved due to the tender exercise.
5	CYPS	Fresh & Frozen Meat	-	£22,500	£39,000	3 years	P5	1.5% rebate negotiated.
6	CYPS	Fresh Fruit & Vegetables	-	£9,000	£16,000	3 years	P5	1.5% rebate negotiated.
7	FCS	Schools ICT Equipment	-	£44,625	£51,000	2 years	P1	Compared against existing prices (further competition through YPO).
8	FCS	GSM Gateway	-	£44,000	£44,000	1 year	P1	Use of mobile phone SIM cards for least cost routing of calls to mobile phones
9	FCS	Internet Service Provider (ISP) for schools	-	£14,583	£35,000	1 year	P1	Compared against previous contract pricing.
10	FCS	Digital Audio Visual Hardware for Schools	-	£26,391	£26,391	1 year	P1	4% reduction in cost of units.
11	FCS	Office Removals & Relocation	-	£10,190	£11,200	4 years	P1	Saving of £44 per tendered unit. Savings based on estimated 810 removal activities over the contract term.
12	FCS	Database Administration Support Services	-	£531	£2,125	1 year	P6	Non cashable as funds comes from a supplies and services budget that will be spent on other areas.
13	Corporate	Multi Functional Devices (MFDs)	-	£47,600	£47,600	5 years	P1	Whole life cost savings at £238,000 over 5 years.
14	Corporate	Water Coolers	-	£12,280	£14,730	2 years	P1	Re-procured framework agreement with better pricing. Saving based on initial volumes, now subject to review. Saving based on initial volumes, now subject to review.
			-	£516,122	£1,004,158			

Procurement for 'one off' requirements								
15	BES	Seamer Carr Bridge Strengthening *	£67,171	-	-	2 months	P6	Submitted tender less than the original estimate of £250,000. Tendered from a framework of contractors.
16	BES	Cattle Bridge Masonry Repairs *	£53,000	-	-	2 months	P6	Tenders returned lower than estimate due to reduced preliminary costs. Tendered from a framework of contractors.
17	BES	Countywide Winter Damage repairs/Harrogate and Knaresborough	£143,000	-	-	N/A	P6	Compared to original budget expenditure
18	BES	Historic Environment - Managing Landscape Change	£34,000	-	-	N/A	P6	Savings made against initial estimates, grant funded for the project, hence saving to grand awarding body.
19	BES	Furniture - Boroughbridge Highways Depot	£3,365	-	-	N/A	P3	Bulk purchase price compared to the 'single' price - savings through volume discounts
20	CEG	North Yorkshire and York Local Information System (LIS)	£33,000	-	-	3 years	P6	Saving on system implementation by reviewing the specification. The system will reduce the number of analytical staff required to extract data from various systems.
21	CEG	NVQ 4 Level Training	£8,400	-	-	3 months	P1	Reduction in cost from £2,300 to £900 per trainee
22	CYPS	Microsoft Licences for Schools - CYPS	£7,000	-	-	N/A	P1	Compared against previous contract pricing.
23	CYPS	Purchase of laptops, net books & accessories	£7,000	-	-	N/A	P1	Compared against previous contract pricing.
24	FCS	Hand held data capture devices	£12,236	-	-	1 years	P6	Costs less than original estimate.
25	Corporate	Furniture - various installations	£100,365	-	-	N/A	P1	30 Victoria Avenue, Belle Vue, South Block (County Hall) and furniture for children's resource centre - Use of dedicated framework agreement. Benchmarked saving compared with price that would have applied under previous arrangements.
			£468,537	-	-			

Contract Management								
26	ACS	Independent and Voluntary Sector Contract negotiations	-	£1,841,000	£1,841,000	Individual Contracts	P4	Savings achieved by negotiations with the sector leading to a below inflation uplift.
27	ACS	Information Advice and Guidance - Extension	£69,000	-	-	1 year	P4	Extension implemented with price reduction.
28	ACS	Domiciliary Care		£62,000	£310,000	Individual Contracts	P4	Price reductions achieved through negotiations.
29	BES	Tyre Collection & Treatment Contract	£1,881	-	-	1 year	P4	9% reduction in contract prices with additional benefit that all tyres are recycled.
30	CYPS	Venues	-	-	£33,000	N/A	P3 & P4	Achieved improve terms/rates on our most frequently used venues. Estimate based on 2010 - 2011 usage.
31	FCS	Intranet Software	£5,500	-	-	N/A	P2	Restructure of payment methodology
32	Corporate	Office Supplies	-	£39,923	£46,708	4 years	P2	Original printer ink consumables switched to remanufactured brand. Recycled paper switched to sustainable stock.
33	Corporate	Mobile Phone Re-distribution	-	£1,431	£1,431	4 years	P4	Saving arising from elimination of termination charges by reuse of handsets.
			£76,381	£1,944,354	£2,232,139			
Grand Total			£544,918	£2,460,476	£3,236,297			

Impact of Procurement on the Local Economy – Examples of Initiatives Undertaken by NYCC

Property Works and Maintenance Frameworks – Rather than run a number of large tenders for property works and maintenance services, it was decided to put a number of framework contracts in place, each with a sufficient number of suppliers on it to ensure sufficient capacity to meet the estimated need across the county. Each of these frameworks was procured in accordance with the public sector procurement requirements, however within these frameworks a number of different criteria were identified that would allow the work to be allocated in smaller packages by Lots, thus enabling suppliers of all sizes to participate and bid for work opportunities. The headline areas addressed were therefore split into Works, Equipment, Themed and Responsive Maintenance.

The Works headline was further divided into value bands e.g. £10k - £200k, £201k - £500k etc. thus offering realistic opportunities for smaller companies to response with a bid. It was felt that most construction SMEs would have the capacity to deliver work up to a value of £200k at the very least.

Equipment was further divided into specific general or specialist types of equipment e.g. Mechanical, Chimneys/Masts etc.

Themed was again divided into specialist areas e.g. Flat Roofs, Pitched Roofs etc.

Ultimately by offering the work in a number of various ‘themed’ packages over twenty five different suppliers are now contracted by the Council rather than potentially only four or five large contractors who would have been capable of meeting the diverse needs of these contracts.

BuildNorthYorkshire Network – The Council recognised that work for large construction related contracts would always have to be awarded to large prime contractors capable of meeting the risks and the variety of tasks required. The standard industry process was for these prime contractors to then sub-contract much of the work as they either had limited directly employed workforces, or there was a need for specialist skills. It was further recognised that prime contractors regularly ‘imported’ sub-contractors from outside the county to meet these needs, and this essentially equated to a leakage of work opportunities for smaller businesses across the region.

The objective of the BuildNorthYorkshire Network at its highest level is to develop and sustain the supply chain across the county by bringing together as many of the prime contractors across the region as possible, and introducing them to a growing pool of county based, skilled and qualified sub-contractors that they may wish to use for the future. Underpinning this is also the intention of encouraging the prime contractors to liaise directly with the sub-contractors, and actually assist them in ensuring they are appropriately qualified to the correct standards to be acceptable as sub-contractors working on council and other public sector contracts. For example, an acceptable, demonstrable level of Health and Safety competence can be shown through registration with CHAS; prime contractors can assist sub-contractors to achieve this registration.

The Network is primarily web based (www.buildnorthyorks.co.uk) but also holds a number of networking events throughout the year which have been extremely well attended. Over 450 businesses are now registered on the Network, helping to keep construction work in North Yorkshire in the hands of North Yorkshire sub-contractors.

Food Framework Contracts – Food contracts offer particularly good opportunities for introducing legitimate criteria that enable local based suppliers to put forward strong tender bids. Requirements such as freshness, provenance etc can enable local providers and distributors to score well on tender assessments.

To take this further the food contracts followed a similar approach to those of the construction frameworks offering headline themes of Fresh Fruit and Vegetables, Prepared Vegetables, Fresh and Frozen Meat and Frozen Produce.

These headline themes were further sub-divided into geographical lots, offering a minimum of nine lots per category. This then meant there were at least thirty six opportunities to win business, and given that freshness, food miles and carbon footprint were all criteria to be taken into account, the upshot is that all contracts are now currently being serviced by North Yorkshire based suppliers.

Directorate – Health and Adult Services

Procurement title	Details of sustainability achievements
<p>Adult Social Care Operations Electronic Monitoring System for in house Domiciliary Care</p>	<p>Impacts were assessed as part of the Risk Analysis Tool. The main impact to this procurement in terms of sustainability would be business continuity and the requirement for the procurement to be successful to enable the council to meet other business requirements. There would also be some administrative and stationery resource reduction, but this would be offset against the cost of the system.</p> <p>More efficient rostering of staff providing domiciliary care will lead to more efficient travelling and time management arrangements. The system will also provide benefits in terms of staff safety in that it issues automatic alerts if staff do not arrive at their rostered destinations. These alerts also provide security for people receiving care.</p> <p>The above elements were incorporated into the spec and a score was agreed by the whole evaluation panel for each question asked. Comments were recorded based on the paper submissions received.</p> <p>Although no specific sustainability criteria was included as a section, elements of sustainability came into Future Proofing (0.51%), General (0.76%), and Risk awareness (0.38%)</p> <p>The service specification will be incorporated into the contract, which covers elements as above.</p> <p>There are anticipated savings from the project as a whole, but how these could be disaggregated to identify specific sustainability savings is difficult. There should be a reduction in administrative and stationery resources, however this will be offset against the cost of the system.</p>
<p>Commissioning & Partnerships Housing related support – single Homeless Accommodation</p>	<p>The procurement exercise rationalised the number of providers from 13 to 3. The contribution to sustainability of this outcome is the reduced number of offices and the consumption of utilities such as heat, light and water. The rationalised staffing structure also led to reduction in the use of vehicles and petrol consumption.</p> <p>Although the specification only included the above factors as a bi-product, the rationalisation was as a direct result.</p> <p>The evaluation of the procurement exercise took the above factors into account in the overall evaluation which was in addition to that on specific sustainability elements.</p> <p>The percentage evaluation based on sustainability factors was 5%, although this related to policies and procedures.</p> <p>The elements of sustainability contained in the final contract included the above, but the specified outcomes also included the prevention of homelessness which would reduce cost to society of such things as damaged properties; preventing homelessness which would be achieved by providing support to access education, training or employment; support to be provided in relation to health issues which would prevent more serious interventions</p>

Procurement title	Details of sustainability achievements
	<p>later on and finally contributing to sustainable communities by preventing prolonged antisocial behaviour and neighbourhood nuisance.</p> <p>No specific financial savings can be calculated around the included sustainability elements.</p>
<p>Library & information services Radio Frequency Identification</p>	<p>This procurement was to provide in all libraries, the ability to check books in and out by electronic means rather than the traditional method at the library counter. The equipment is fully DDA compliant and indeed will assist some library users in providing both a more efficient and easier to use service. Library staff are on hand to assist with the process but are also freed up to spend more time assisting users with other tasks within the library. A consequence has also been that in libraries that have community involvement, the equipment has allowed the issuing and returning of books to take place outside hours when professional library staff are available.</p> <p>These aspects were incorporated into the specification and further development by the successful contractor may lead to the equipment being adapted for further functions such as council tax payments and the booking of adult education courses.</p> <p>The above was taken into account in the overall evaluation during the procurement.</p> <p>The percentage based on sustainability factors which centred on policy and procedures was 5%.</p> <p>Currently it has not been possible to calculate the financial savings that will be a result of the sustainability elements included.</p>

Directorate – BES

Procurement title	Details of sustainability achievements
<p>Highways & Transportation Highways Maintenance Contract 2012</p>	<p>Re-procurement of the current Highway Maintenance Contract, which expires on 31st March 2012, is currently ongoing.</p> <p>As part of the re-procurement process, one of the ‘Quality’ questions which will be assessed as part of the Tender returns is directly in relation to Sustainability and is reproduced below. The specific ‘Sustainability’ question contributes approximately 5% of the total Quality score, with other sustainability elements contained within some of the other questions.</p> <p><i>“NYCC has a minimum carbon reduction target of 20% by 2015, from a 2008/09 baseline.</i></p> <p>a) <i>Provide evidence of your organisations carbon emissions for the delivery of the service required through this contract; this should be based on the annual carbon dioxide emissions from buildings and transport. A conversion table is provided for reference. (Maximum 4 sides of A4)</i></p> <p>b) <i>Provide details as to how you would reduce the emission levels identified in (a) through the course of the contract. (Maximum 4 sides of A4)</i></p> <p>c) <i>Provide evidence through a suitable case study of where you have used recycled materials on a previous contract. Include as a minimum as part of your response the percentages achieved and the relative impact of cost when compared to virgin materials. (Maximum 6 sides of A4)</i></p> <p>d) <i>Describe your proposals for the use of recycled or reusable materials and waste minimisation during the course of this contract. (Maximum 4 sides of A4)”</i></p>
<p>Integrated Passenger Transport Vehicle Procurements</p>	<p>Fleet Management procures vehicles for all NYCC user departments. Over 140 vehicles of various types were supplied to users in 2010/11. The key challenges faced in the procurement of these vehicles were:</p> <ul style="list-style-type: none"> • Achieving the best value for the user in terms of initial outlay and ongoing operational costs • Reduction in fuel consumption • Reduction in CO2 emissions • Environmental impact at the end of the vehicles life <p>While a number of different procurement methods can be used, all prospective suppliers are assessed on the price of the vehicle and a quality assessment.</p> <p>The quality assessment measures fuel consumption, CO2 emissions, compliance with latest EU Emissions Legislation and the percentage of the vehicle components which will be recyclable at the end of its life.</p>

Procurement title	Details of sustainability achievements
	<p>These procurement models allow us to balance a decision on which vehicle to purchase based on cost, quality of the vehicle and environmental considerations.</p> <p>Vehicles supplied in 2010/11 all use less fuel and emit less CO2 than those which they replaced.</p> <p>It is anticipated that 50 replacement vehicles supplied to Highways will realise a cost saving of £140,000 on fuel over 3 years. These vehicles will use 15% less fuel than those which they replaced and save 25 tonnes of CO2 emissions, over a 3 year period.</p> <p>Most vehicles supplied have the latest fuel saving 'stop start' technology and emit less than 120 grammes per kilometre of CO2, with some achieving less than 100 grammes per kilometre.</p> <p>Integrated Passenger Transport are committed to procuring vehicles which are good value and have a minimum impact on our environment. In future vehicle procurement exercises, we will continue to explore the use of new vehicle technology and aim to further reduce fuel consumption and CO2 emissions.</p>
Public Rights of Way Structures & General Contracting Procurement	<p>This procurement is in its final stages and seeks to appoint a framework of timber suppliers and contractors to support delivery of our rights of way maintenance function.</p> <p>The key sustainability features are focussed on timber and metal fitting specifications, reuse and recycling of old metalwork and timber as well as the sustainability credentials of potential suppliers.</p> <p>Timber Requirements The specification requires that, without exception, all timber is from a verified legal and sustainable source to ensure that it has been produced to the highest social and environmental criteria . Furthermore we have sought to maximise the lifespan of all timber by specifying that all ground contact timber (those posts installed directly into earth) is treated to the highest preservative level under British Standard 8417. In addition strength classes are specified for load bearing timbers to ensure reduced risk of early replacement requirement through structural failure.</p> <p>Metal Gate Furniture From a Recycled Source The installation of gates requires utilising metal hinges and catches. The specification requires that all metal fittings are from a recycled source. Quantities of recycled product used throughout the life of the contract will be monitored.</p> <p>Recycling of Used Timber and Metal When renewing existing timber and steel, the re use and recycling of old materials will be a contract requirement. We will monitor the quantities of materials re used and recycled throughout the contract cycle.</p> <p>Overall Procurement Sustainability Evaluation Criteria Evaluation criteria for the procurement include the scoring of suppliers based on their own sustainability policies</p>

Procurement title	Details of sustainability achievements
	<p>ensuring that NYCC's commitment to sustainability flows down the supply chain. 5% of the overall criteria are based on suppliers' approach to sustainability and we will be looking for policies which deal with the sourcing of timber and suppliers' approach to consumption of fossil fuels and reuse and recycling of day to day by - products.</p>
<p>Current Highways Maintenance Contract.</p>	<p>North Yorkshire County Council are responsible for the maintenance and repair of the County's highway network through the Highways Maintenance Contract. During the course of the contract, which has been in place since 2002, the County has worked in conjunction with the contractor Balfour Beatty WorkPlace (BBW) and its consultants, currently Jacobs, as Highways North Yorkshire (HNY), to comply with the statutory requirements of the Climate Change, Planning and Energy Act (2008), to address sustainability and to increase and improve the volumes of materials being recycled and reused. This has helped to reduce the volume of material sent to tip, reduced the volumes of virgin aggregates being used and reduced the number of road miles travelled in the provision of materials.</p> <p>Recent changes in legislation have now clarified difficulties which have arisen in the past with environmental waste exemptions, for the highway network and for NYCC's chipping stores. A waste exemption is issued by the Environmental Agency (EA) for a very specific type of low risk waste handling operation that does not require a permit. BBW has worked with the EA to arrange for a blanket waste exemption, allowing the storage of inert materials such as planings, sub bases and recycled surface dressing chippings for re-use by hNY on the highway network.</p> <p><u>Recycling Centres</u></p> <p>A material recycling centre is established at Towton. The centre is able to receive surplus material (concrete, old kerbs, blocks etc) for crushing and screening to provide specific aggregates for reuse. Last year (2010) a further 550 tonnes of aggregates have been utilised from Towton on the A659 Tadcaster Cycleway. As large quantities of sub-base were not required in the 2010/11 programme a further crush was suspended. The cost of the materials used from the recycling centres is typically £2 to £3 per tonne cheaper than virgin aggregates. However, these savings could well be reduced due to the current increased cost of fuel and the lack of change in aggregate levy.</p> <p>Additional sites in Malton, Scarborough and Teesport, albeit third party owned, are being used across the county for recycling purposes. This process is reducing costs by minimising tipping charges and by recycling old materials in lieu of new materials. In many instances, lorries take old material in to recycling centres and leave fully loaded with materials to be used on site. This is ensuring the efficient use of vehicles and reducing the total number of vehicle movements. Two schemes of note being Commercial Street at Norton and Sands Lane at Wintringham, where substantial savings have been made both in lorry miles, material costs and tipping charges. The latter scheme included reuse of road planings as sub base milled from the same site prior to excavation.</p>

Procurement title	Details of sustainability achievements																																																
	Scheme	Period	Budget £k	Sub base (t)	Saving (£)																																												
	Commercial Street Norton	2009 to 2010	560	250	750																																												
	Sands Lane Wintringham	Autumn 2009	125	Planings 300 Subbase 250	3,150																																												
	<p>The HNY Partnership is considering further sites across the County for use as material recycling centres. These are subject to the availability of suitable locations and the ability of the location to meet planning requirements etc.</p> <p>The County Council is currently in the process of replacing the old concrete lamp columns. All the concrete lamp columns taken down are recycled and in 2010/11, 287 tonnes of concrete lighting columns were recycled in the county. Notable schemes being Skipton, Selby, Ricall, Barlby, Sherburn in Elmet, Hunmanby and Staxton. W.C. Watts at Whitewall Quarry and Tarmac in Leeds were the recycling centres used to crush the columns.</p> <p><u>Surface Dressing</u></p> <p>Each summer the County undertakes a large programme of surface dressing of the highway network in order to seal the carriageway from water ingress and to improve the skid resistance of the carriageway surface. The process involves the laying of small size chippings on a liquid binder.</p> <p>The excess chippings swept off the carriageway are washed and reused, primarily on the unclassified road network. The table below summarises the quantities involved:</p> <table border="1" data-bbox="640 898 1771 1225"> <thead> <tr> <th data-bbox="640 898 797 935"></th> <th data-bbox="797 898 1093 935"></th> <th colspan="3" data-bbox="1093 898 1771 935">Recycled quantities</th> </tr> <tr> <th data-bbox="640 935 797 971">Year</th> <th data-bbox="797 935 1093 971">Total area (sq.m)</th> <th data-bbox="1093 935 1319 971">tonnes</th> <th data-bbox="1319 935 1545 971">Sq.m</th> <th data-bbox="1545 935 1771 971">Savings (£)</th> </tr> </thead> <tbody> <tr> <td data-bbox="640 971 797 1008">2006</td> <td data-bbox="797 971 1093 1008">1,800,000</td> <td data-bbox="1093 971 1319 1008">1,485</td> <td data-bbox="1319 971 1545 1008">111,400</td> <td data-bbox="1545 971 1771 1008">30,000</td> </tr> <tr> <td data-bbox="640 1008 797 1045">2007</td> <td data-bbox="797 1008 1093 1045">1,600,000</td> <td data-bbox="1093 1008 1319 1045">1,748</td> <td data-bbox="1319 1008 1545 1045">131,100</td> <td data-bbox="1545 1008 1771 1045">36,700</td> </tr> <tr> <td data-bbox="640 1045 797 1082">2008</td> <td data-bbox="797 1045 1093 1082">1,300,000</td> <td data-bbox="1093 1045 1319 1082">1,249</td> <td data-bbox="1319 1045 1545 1082">90,000</td> <td data-bbox="1545 1045 1771 1082">26,916</td> </tr> <tr> <td data-bbox="640 1082 797 1118">2009</td> <td data-bbox="797 1082 1093 1118">1,500,000</td> <td data-bbox="1093 1082 1319 1118">809</td> <td data-bbox="1319 1082 1545 1118">56,600</td> <td data-bbox="1545 1082 1771 1118">18,000</td> </tr> <tr> <td data-bbox="640 1118 797 1155">2010</td> <td data-bbox="797 1118 1093 1155">1,500,000</td> <td data-bbox="1093 1118 1319 1155">938</td> <td data-bbox="1319 1118 1545 1155">83,201</td> <td data-bbox="1545 1118 1771 1155">19,200</td> </tr> <tr> <td data-bbox="640 1155 797 1192">2011</td> <td data-bbox="797 1155 1093 1192">1,400,000</td> <td data-bbox="1093 1155 1319 1192">303</td> <td data-bbox="1319 1155 1545 1192">27,500</td> <td data-bbox="1545 1155 1771 1192">7,878</td> </tr> <tr> <td data-bbox="640 1192 797 1225">TOTALS</td> <td data-bbox="797 1192 1093 1225"></td> <td data-bbox="1093 1192 1319 1225">6,532</td> <td data-bbox="1319 1192 1545 1225">499,801</td> <td data-bbox="1545 1192 1771 1225">138,694</td> </tr> </tbody> </table> <p><u>General Site Practice</u></p> <p>As is normal practice on civil engineering sites, materials are reused within the confines of the site whenever practicable. For example, topsoil will be reused on verges. Major gains have been made in some areas on reuse of materials. The reuse of road planings as sub-base in 2010/11 has already saved 4,640 tonnes of material and an estimated travel distance of around 12,000 kms. Savings of £35k on virgin aggregates have also been made.</p>							Recycled quantities			Year	Total area (sq.m)	tonnes	Sq.m	Savings (£)	2006	1,800,000	1,485	111,400	30,000	2007	1,600,000	1,748	131,100	36,700	2008	1,300,000	1,249	90,000	26,916	2009	1,500,000	809	56,600	18,000	2010	1,500,000	938	83,201	19,200	2011	1,400,000	303	27,500	7,878	TOTALS		6,532	499,801
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Procurement title	Details of sustainability achievements																									
	<p>Schemes undertaken are:</p> <p>Balloon Tree Haunch near Stamford Bridge where planings milled from the haunch and patching were re used in the sub base.</p> <p>Foston Footway planings reused from the Connesthorpe inlay patching scheme were used in sub base construction in the footway.</p> <p>Stape Forest Drive Re-profiling 4,000 tonnes of planings were laid with a midi paver. This is a unique scheme which utilised planings stored over the last 18 months in one of the highway depots.</p> <table border="1" data-bbox="640 485 1924 695"> <thead> <tr> <th>Scheme</th> <th>Period</th> <th>Budget (£k)</th> <th>Planings (t)</th> <th>Saving (£)</th> </tr> </thead> <tbody> <tr> <td>Balloon Tree Haunch</td> <td>Autumn 2010</td> <td>96</td> <td>180</td> <td>1,440</td> </tr> <tr> <td>Foston Footway</td> <td>Spring 2011</td> <td>110</td> <td>240</td> <td>1,920</td> </tr> <tr> <td>Stape Forest Drive (highway)</td> <td>Summer 2011</td> <td>40</td> <td>4,000</td> <td>32,000</td> </tr> <tr> <td>TOTAL SAVINGS</td> <td></td> <td></td> <td></td> <td>35,360</td> </tr> </tbody> </table> <p><u>Road Planings</u></p> <p>All bituminous macadam road planings recovered from carriageway resurfacing schemes are stored for reuse as required across the highway network. For example, for re-profiling of unsurfaced roads. A large proportion is used as a constituent part of new macadams. It is proposed to carry out a trial scheme, subject to identifying a suitable site in the County, to consider the viability of reusing recovered carriageway materials.</p> <p><u>Re Heated Asphalt Technologies</u></p> <p>BBW have developed a new potential source of asphalt in partnership with the Transport Research Laboratory utilising the rejuvenation of road planings using binders and structural additives. As the laboratory testing of the material was highly encouraging, a report was presented to the partnership and a technical site trial undertaken at Cawood Bridge on the B1222 East of the bridge in the autumn of 2010. 150 tonnes of wearing courses and bases were laid in combinations of single layer and dual layer constructions. Technically the trial was successful and further work is being undertaken to consider how the material might be rolled out on a commercial basis.</p> <p><u>'CCMS (eco)' (Matter Tracker)</u></p> <p>CCMSeco is a database developed by BBW to monitor movements of excavated material and waste. The system allows for accurate identification of the movement of materials and the subsequent management of disposal costs associated with landfill and haulage distances and costs.</p> <p>Figures provided by BBW for the last two years, see below, show that the percentage of materials being recycled</p>	Scheme	Period	Budget (£k)	Planings (t)	Saving (£)	Balloon Tree Haunch	Autumn 2010	96	180	1,440	Foston Footway	Spring 2011	110	240	1,920	Stape Forest Drive (highway)	Summer 2011	40	4,000	32,000	TOTAL SAVINGS				35,360
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Stape Forest Drive (highway)	Summer 2011	40	4,000	32,000																						
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Procurement title	Details of sustainability achievements			
	is increasing. It should be noted we are now consistently securing 99% of inert excavations from highway construction not attracting land fill:			
		% recycled	% recycled in-house	Reduction in waste to landfill (tonnes)
	2008	70	67	32,000
	2009	80	58	5,000
	2010	85	65	1,600
	2011	99	66	-50
<u>Cement Stabilised Pavements</u>				
Further works have been undertaken using cement stabilised pavements whereby this insitu process which allows for excavated carriageway materials to be recycled. The process has been used in three locations across the county and has reduced potential material disposal by 14,767 tonnes which equates to 1,476 lorry loads and a reduction in 73,836 km travelled. The process continues to be reviewed and sites monitored to assess future usage.				
<u>The Future</u>				
The HNY Partnership has an “Innovations Group” which is tasked with the identification and assessment of alternative systems and processes and is constantly looking for opportunities to adopt a proactive sustainable approach to future highway maintenance work. Ongoing considerations include:				
Gully emptying – BBW have considered constructing strategically located gully dewatering facilities within the current contract. Due to the cost of equipment and the varied geography of the network covered by the county, existing arrangements with third parties is the most effective means of disposing of this waste stream. A report is held by the partnership innovation group recommending further consideration in the network beyond the current contract when the former Harrogate and Scarborough Agency areas will be within NYCC’s remit.				
From 2011/12, more mini ‘Site Waste Management Plans’ are being developed for highways and bridges schemes across the county. BBW are making arrangements to develop a contract wide plan utilising the CCMSeco data base. The purpose of this plan will not necessarily be to rigidly enforce contract requirements, but to ensure opportunities are available for staff to monitor performance and consider innovation on waste and supply streams across the entire contract.				
The Innovations Group is also looking at innovation within schemes by considering the benefits of innovation at the early design stages and also considering a review of existing scheme management processes.				

Directorate – CEG

Procurement title	Details of sustainability achievements
North Yorkshire Times print contract.	<p>The supplier was required to meet the conditions of the Royal Mail carbon neutral scheme or an equivalent, which the successful tenderer, NWN Media, achieved.</p> <p>The relevant sections from the carbon neutral scheme’s terms and conditions are below.</p> <p>Scope and criteria</p> <p>For all Mailings made under this Scheme, the Customer shall at all times comply with the following requirements to minimise the environmental effects of preparing Door to Door mailings:</p> <ol style="list-style-type: none"> 1. Mail items must be printed on paper with a minimum of 50% recycled content and any non-recycled paper content must come from virgin paper sourced from suppliers from one of the following forest certification schemes: <ul style="list-style-type: none"> • Forest Stewardship Council; • Platform for Endorsement of Forest Certification; • Sustainable Forestry Initiative; and • Canada’s National Standard on Sustainable Forest Management. 2. Polywrap and window envelopes must not be used for any Mailings made under this Agreement; 3. The Customer shall use suppliers, including but without limitation printers and mailing houses, with one of the following schemes in place: <ul style="list-style-type: none"> • Eco-Management and Audit Scheme (EMAS) registration; • ISO 14001 certification; • BS8555 based approach; • such other environmental management system approved in writing by Royal Mail. 4. Mail items must be printed using: <ul style="list-style-type: none"> • Vegetable based or recycled inks; and • Aqueous (or non-oil based) varnishes. 5. The Customer must use either recycled, recyclable or reusable packaging materials. 6. Mail items must bear an appropriate recycling logo and associated advice on disposal.*

Procurement title	Details of sustainability achievements
	<p>7. Mail items must bear the Carbon Neutral Logo in accordance with the brand guidelines attached as Schedule 1. * We recommend the 'Recycle Now' logo, which is widely used and recognised by consumers.</p> <p>Payment</p> <p>In consideration of the Customer complying with all the requirements above, for each Door to Door mailing made under this Scheme, Royal Mail shall calculate the sum that must be invested in carbon credits in order to offset the carbon emissions attributable to such mailing ("Carbon Offset Cost"). Royal Mail shall pay the Carbon Offset Cost of all Mailings that comply with the requirements of this Scheme to a Partner. To the fullest extent permitted by law, Royal Mail excludes all other liability to the Customer or any third party under or arising from this Agreement.</p>
Website hosting contract.	<p>Suppliers were required to adhere to the standard conditions that are copied below. As this was an online project, there were few sustainability issues. It was specified that the account manager had to be within a certain boundary to attend meetings in a carbon friendly way.</p> <p>Sustainability</p> <ol style="list-style-type: none"> 1. Has your company obtained ISO14001, EMAS or any other equivalent externally validated standard? If yes, please enclose a copy of your registration certificate or details of equivalent scheme. If not externally validated, has any progress been made towards an environmental audit of any of your existing operations or products? If yes please enclose details. 2. Do you have a written environmental policy or environmental management system? If so, please provide details. 3. Has the company been involved in any schemes, projects or developments of an environmental nature in the last three years? If yes please provide details. 4. Please provide details of how you are reducing carbon emissions in your operations including energy saving measures, recycling schemes, minimising delivery miles, providing driver training, using fuel efficient vehicles or using different types of fuels. 5. Has your organisation been prosecuted for breaking any UK or EU environment law, or had any notice served upon it by an environmental authority, or is your organisation currently being investigated? If yes, please provide details including any corrective measures put in place since the incident. 7. The council is required to report on and reduce its carbon emissions by 2% per annum. Please demonstrate how you intend to deliver a 2% reduction in energy consumption in the delivery of this service. This item will be subject of a performance indicator in the management of this contract so the successful organisation will need to be provide the information on an annual basis.

Procurement title	Details of sustainability achievements
	8. Would you provide an account manager and where would they be based in the country? Would they be able to attend regular review meetings if necessary and how would they get to the County Hall campus in Northallerton?

Directorate – CYPS

Procurement title	Details of sustainability achievements
<p>Schools ICT Schools ICT Equipment</p>	<p>This procurement was based on YPO framework criteria and in addition the following was added.</p> <p>Has your company obtained ISO14001, EMAS or any other equivalent externally validated standard? If yes, please enclose a copy of your registration certificate or details of equivalent scheme. If not externally validated, has any progress been made towards an environmental audit of any of your existing operations or products? If yes please enclose details.</p> <p>Do you have a written environmental policy or environmental management system? If so, please provide details.</p> <p>Has the company been involved in any schemes, projects or developments of an environmental nature in the last three years? If yes please provide details.</p> <p>Please provide details of how you are reducing carbon emissions in your operations including energy saving measures, recycling schemes, minimising delivery miles, providing driver training, using fuel efficient vehicles or using different types of fuels.</p> <p>Does your company have any ICT recycling schemes that can complement the Council and North Yorkshire Schools sustainability policies? These may include; loyalty discount schemes and disposal scheme. If so, please provide details.</p>
<p>14 – 19 Year Old Unit Provision of work related training services to schools</p>	<p>No procurement took place due to a change in Government Policy.</p>
<p>Children's Social care. Independent Fostering arrangements.</p>	<p>This procurement has taken advantage of an Option to Extend which runs until 2013.</p> <p>The main sustainability outcome of this and future procurement for this area is the need for placements closer to the child's school and family therefore reducing the distance travelled.</p>
<p>Quality & Improvement. Venues for training and other events.</p>	<p>No procurement has taken place. It is now a review of current providers, consistency of rates and cancellation terms. Ongoing piece of work.</p>
<p>Children's social care. Provision of specialist day care for disabled children and young people.</p>	<p>This procurement took place using the standard evaluation criteria. A combination of the specification and market provision has lead to more local provision.</p>

Directorate – FCS

Procurement title	Details of sustainability achievements
Automatic Meter Reading	<p>The intention of this procurement was to provide automatic remote meter reading for gas and electricity in council properties. This will help sites to manage the reduction of their energy consumption effectively and therefore reduce costs.</p> <p>Following the decision to arrange energy supplies through YPO, a different approach is being sought working directly with the energy suppliers as part of that contract. However the sustainability benefits expected remain the same, these are reduction in energy consumption and carbon emission by approximately 10%. This will also have financial savings.</p>
Upgrade of the Energy Management System	<p>This procurement will upgrade and improve the current Energy Management System that runs the heating and hot water systems in a number of the County Council's sites. This will help sites to manage these systems more efficiently thus reducing gas consumption and costs.</p> <p>The ITT is currently being prepared and will include sustainability evaluation criteria of 5% of the total. It will include evaluation of how effectively the company manages its own use of resources and also their travel.</p>

EXAMPLES OF PROCUREMENTS WITH EQUALITIES AND DIVERSITY ASPECTS

Scarborough and Hambleton Area Home to School Transport Review and Scarborough LBS Transport Contracts

In both procurements the contract terms and conditions were amended to reflect changes in equalities and diversity legislation.

Household Waste Recycling Centres (HWRCs) Management Contracts - Contract for the management and operation of, and the transportation of materials from household waste recycling centres 2010

Contracts were awarded to May Gurney Ltd (17 sites) and Yorwaste (2 sites). Procurement of the contract took place in 2009-10, and the contracts started on 1 April 2010. Equalities and Diversity is considered from three different angles. Tenderers had to demonstrate that processes used to recruit staff used in the delivery of the service could robustly demonstrate the application of equalities and diversity principles in recruitment. In addition, the contracts require the successful contractors to deliver formal training to all staff (including customer care and equalities and diversity) and to carry out impact assessments for any proposed change in the service.

Council staff worked with the contractors to design and deliver the formal training, and subsequent feedback from customers shows overwhelming success in improving the customer facing aspects of service delivery.

Equality Impact Assessment Review of above HWRCs

Of particular note is the review of the Equality Impact Assessment (EIA) associated with Household Waste Recycling Centres (HWRCs) towards the end of 2010/11 which considered the following:

- Accessibility of the existing HWRC sites (against an accessibility audit undertaken in 2006/7);
- How accessibility criteria are incorporated within the design of new sites (notably Penny Pot Lane, Harrogate which received planning permission on 8 December 2009).
- Equality requirements of contractors who deliver the service, and their compliance with these requirements
- Ensuring implementation of HWRC Policies 3, 8 and 9:
 - HWRC Policy 3 (North Yorkshire County Council will ensure that the future design and operation of HWRCs will address the needs of potentially disadvantaged groups)
 - HWRC Policy 8 (North Yorkshire County Council will provide HWRCs to high standards and will ensure HWRCs remain safe, equitable, secure and pleasant places to use, work in or live near to) are implemented.
 - HWRC Policy 9 (North Yorkshire County Council will provide signs from main roads to sites that are fit for purpose and adequate; on-site signs will be clear and easy to understand).

The signs directing customers to particular waste types use pictorial demonstrations of waste types to help non English speaking customers in line with recommended standards by the Waste & Resources Action Programme. This is in line with HWRC Policy 9 (see above).

The decision was taken to reduce the operating hours at HWRCs to achieve budget reduction targets. An EIA was undertaken before the public consultation process began to identify possible impacts. One possible impact was that residents that had to travel some distance to their nearest

site may do so as a combined trip on market day. A question was added to the consultation document to allow this impact to be modelled and confirmed that this was a real issue. The final decision to close HWRCs on Wednesdays took into account the fact that this is the day with the smallest number of markets in the County (Northallerton and Skipton).

The design of the new HWRC to serve the West of Harrogate was impact assessed to ensure that no physical barriers were in place to make it difficult for residents to use the sites. Examples include the lowering of waste containers on a split level site, the complete removal of any kerbs from the interior of the site and the provision of fully accessible toilet and wash facilities for customers and staff. The impacts of operations on the site are covered by the contract to operate the site, as described earlier in the report.

Provision of a Local Information System and Voluntary Benefits Pan Government Scheme (Everybody Benefits)

The Pre Qualification Questionnaire assessed the suppliers' competence in respect of the Council standard equalities and diversity requirements. These requirements were threshold questions and only those suppliers who confirmed their compliance passed this stage.

Integrated Youth Support Service Workforce Development – Foundation Degrees

The Equalities Impact Assessment identified the requirement for a fair and equitable application process for HE providers and this was therefore included in the specification, with the opportunity being promoted through the Supplier and Contract Management System. HE providers were also asked to demonstrate their understanding of Equality and Diversity and compliance with appropriate legislation.

Highways / C.P. Management Vehicle Contract Hire Procurement

The impact assessment identified a number of requirements that were included within the specification. These included requirements for automatic transmission, lumbar support, and driver comfort packs etc. The vehicle evaluation and assessment checking process was identified as an important part of the compliance checking process.

Sharow Resurfacing scheme

A key off road path (Public Bridleway & Unclassified County Road) linking the villages of Copt Hewick and Sharow was resurfaced to alleviate severe drainage problems which prevented even the most able bodied users from using the route at times. A simple but robust specification meant that as well as resolving the drainage issues we were able to provide a surface suitable for use by all abilities, including wheelchair access. This was a joint project between the Rights of Way and Starbeck Highways teams, led by rights of way with funding support from Highways. The route has also been identified as a key route to school for local children in the villages so the benefits will be widely appreciated, especially through the winter months.