

## Procurement Report

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<b>Date</b>	<b>December 2009</b>

### Procurement Activity January 2009 – To Date

#### Oracle – Shared Services

To support Slough Borough Council's (SBC) Shared Services Programme a review of the current Oracle licensing model was required. SBC had a variety of licensing metrics.

A review was undertaken of the licensing metrics and modules/applications owned by SBC, Cambridgeshire County Council (CCC) and Northamptonshire County Council (NCC). A decision was made to ensure all three local authorities were licensed identically.

Negotiations with Oracle increased the application licenses discount from 42% to 84% for new purchases and a 90% discount was obtained for the migration of existing licenses to the new Enterprise Licensing Model for all three authorities.

These discounts resulted in a saving of **£242,647.80** saving/cost avoidance for SBC.

#### Oracle – Technical Licenses

Slough Borough Council were unknowingly under licensed for a number of Technical Database Licenses. Negotiations with Oracle and an Oracle Partner (SCC) resulted in the procurement of these licenses with a 53.5% discount.

This discount resulted in a **£31,986.81** saving/cost avoidance for SBC.

#### BT

BT currently provide both voice and data lines (SBC with 8 x ISDN2e, 8 x ISDN30 and 330 x PSTN lines)

2008-2009 BT invoices SBC 886 invoices.

Currently SBC are charged every invoice a £10.00 late payment fee and £9.50 fee for not paying by Direct Debit.

These costs can be removed by utilising BT's One Bill Solution. By consolidating 2+ lines onto one bill removes the £10.00 and £9.50 charges.

Procurement is currently working with Service users to identify "clusters" of lines to bundle onto One Bill's.

The invoices for 63 Traffic Light Circuits have been migrated to a BT One Bill. This alone results in a **£4,000** saving.

### Scottish Southern Electric

SBC's Electricity supply is provided by Scottish Southern Electricity under the NHS PASA (Purchasing & Supply Agency) Shared Services Agreement with all other Berkshire Authorities.

Street lighting received an invoice for £24,946 for Triad Reconciliation. Upon querying the invoice with the Account Manager it was agreed that the invoice had been issued in error.

This results in a **£29,946 cost avoidance**.

### Other

Procurement recently tendered and awarded a new contract for IT Peripherals and Consumables. Previously SBC used approx 10 different suppliers for toners and cartridges. The contract is currently used by SBC and St Bernard's Catholic Grammar School is trialling the contract.

Procurement are currently tendering the following contracts:

1. Milk (including schools)
2. Work wear
3. Cleaning Consumables

Further areas covered in the Part II to this report.