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| --- | --- | --- | --- |
| **Continuing Statutory Service (Proposed Base Budget Reduction Targets) – Template 2**  **BOP 028** | | | |
| Service name  PROCUREMENT (BBR 044) | Service description – please see over | | |
|  | **2015/16** | **2016/17** | **2017/18** |
|  | **£m** | **£m** | **£m** |
| Forecast before savings | 1.856 | 2.133 | 2.486 |
| Budgeted savings (cumulative) | 0.000 | 0.000 | 0.000 |
| Planned net expenditure  (Approved **2015 net budget**) | 1.856 | 2.133 | 2.486 |
|  |  |  |  |
| August 15 monitoring position | 0.030 |  |  |
| Demand variations (cumulative) |  | 0.000 | 0.000 |
| Price variations (cumulative) |  | -0.052 | -0.103 |
| Undeliverable savings (cumulative) | 0.000 | 0.000 | 0.000 |
| Loss of grant (cumulative) | 0.000 | 0.000 | 0.000 |
| **Revised Resource Requirement** | **1.886** | **2.081** | **2.383** |
| Additional savings target for approval (cumulative) | 0.000 | -0.416 | -0.476 |
| **Revised proposed budget** | **1.886** | **1.665** | **1.907** |
| Proposed risk reserve provision (discrete year) |  | 0.416 | 0.477 |
| Policy Decisions needed to deliver the target savings | To approve a 20% reduction in service capacity by April 2018.  To reduce the revenue budget from 1st April 2016 and fund from reserves for 2016/17 and 2017/18 during the transition. | | |
| Impact on service | The capacity of the service will reduce in line with the downsizing of the organisation. | | |
| Actions needed to deliver the target savings | Alignment of procurement plans to the future service delivery of the council and the council transformation programme.  Consult on proposals/structure July 2017 for implementation by April 2018.  Statutory consultation process with Trades Unions with respect to potential for redundancies, July 2017. | | |
| Equality Analysis | [Click here to view document](http://council.lancashire.gov.uk/ecCatDisplay.aspx?sch=doc&cat=13868&path=0) | | |

**What does this service deliver?**

* Procurement of all goods, services and works across the whole of the organisation in accordance with LCC and EU regulations
* Sourcing of all goods, services and works for the County Council using supplier frameworks and approved suppliers.
* Accounts payable support function for suppliers.
* Waste Management contract (GRL) overview