

PERTH AND KINROSS COUNCIL

Strategic Policy and Resources Committee

30 November 2016

Procurement Strategy and Improvement Plan

Report by Depute Chief Executive (Sustainability, Strategic & Entrepreneurial Development)

PURPOSE OF REPORT

This report sets out the updated Procurement Strategy and Improvement Plan to support the Council's strategic objectives, meet impending legal requirements, and help deliver financial savings.

1. BACKGROUND

- 1.1 On 18 April 2016 new legislation for public procurement came into effect in Scotland. Several changes were introduced, including a statutory duty on public bodies to issue an annual procurement strategy. The first such report must be published by the 31 December 2016.
- 1.2 This report presents the Procurement Strategy for 2017 which has been prepared building on the strong foundation of the current strategy; approved at the meeting of Council on 16 December 2015 (report 15/572 refers). The strategic direction and principle aims and objectives for Perth and Kinross Council were set in 2015 and have been updated for the coming year.
- 1.3 The new legislation creates statutory duties to increase the transparency of public procurement including:
 - the publication of an annual strategy,
 - the inclusion with the strategy of an overview of the procurement activity which will arise in the coming 24 months,
 - the publication of a Contracts Register (achieved in May 2016),
 - and publication of an annual report.

2. PROPOSALS

- 2.1 The Procurement Strategy 2017 has been structured following statutory guidance issued by the Scottish Government. The guidance set out the content and a generic layout for public bodies.
- 2.2 The Strategy is intended as a transparency tool to help citizens, including those who may wish to participate in our procurement exercises, understand what we will do. The document includes links to additional information which is already published at www.pkc.gov.uk in order to provide more context for interested parties.

3. CONCLUSION AND RECOMMENDATIONS

- 3.1 The introduction of new procurement legislation, the challenging financial climate, and the opportunities presented by the Council's Transformation Strategy, all combine to create a set of circumstances which require a robust approach to procurement. Effective procurement helps support a prosperous, fair and sustainable area, whilst delivering best value as well as local economic and social benefits.
- 3.2 Council is requested to approve;
- a) The Perth and Kinross Council Procurement Strategy (Appendix 1).
 - b) The Contract Delivery Plan appended to the Procurement Strategy
 - c) The Procurement Improvement Plan, which complements the Council's Procurement Strategy and is included as an appendix to the Strategy.

Authors

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

Strategic Implications	Yes / None
Community Plan / Single Outcome Agreement	YES
Corporate Plan	YES
Resource Implications	
Financial	NO
Workforce	NO
Asset Management (land, property, IST)	NO
Assessments	
Equality Impact Assessment	NO
Strategic Environmental Assessment	NO
Sustainability (community, economic, environmental)	NO
Legal and Governance	YES
Risk	YES
Consultation	
Internal	YES
External	YES
Communication	
Communications Plan	NO

1. Strategic Implications

Community Plan / Single Outcome Agreement

- 1.1 The proposals support the delivery of the Perth and Kinross Community Plan / Single Outcome Agreement in terms of the following priorities:

- (i) Giving every child the best start in life
- (ii) Developing educated, responsible and informed citizens
- (iii) Promoting a prosperous, inclusive and sustainable economy
- (iv) Supporting people to lead independent, healthy and active lives
- (v) Creating a safe and sustainable place for future generations

Corporate Plan

- 1.2 The proposals support the achievement of the Council's Corporate Plan Priorities:

- (i) Giving every child the best start in life;
- (ii) Developing educated, responsible and informed citizens;
- (iii) Promoting a prosperous, inclusive and sustainable economy;
- (iv) Supporting people to lead independent, healthy and active lives; and
- (v) Creating a safe and sustainable place for future generations.

2. Resource Implications

Financial

- 2.1 There are no direct financial implications arising from this report. The proposals in this report will constitute to the delivery of revenue budget savings.

Workforce

- 2.2 There are no workforce implications.

Asset Management (land, property, IT)

- 2.3 There are no asset management implications.

3. Assessments

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.

- 3.2 The proposals have been considered under the Corporate Equalities Impact Assessment process (EqIA) with the following outcome:

- (i) Assessed as **not relevant** for the purposes of EqIA

Strategic Environmental Assessment

- 3.3 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals. No further action is required as it does not qualify as a PPS as defined by the Act and is therefore exempt.

Sustainability

- 3.4 The proposals in this report support sustainability through greater use of social and environmental benefit considerations in procurement, and also the reporting of these benefits regularly to Committee.

Legal and Governance

- 3.5 The Head of Legal Services has been consulted in the preparation of this report.

4. Consultation

Internal

- 4.1 The Corporate Procurement Group has participated in the development of this report. Services have provided the information included as the Contract Delivery Plan appended to the Strategy.

External

- 4.2 The Head of Tayside Procurement Consortium has been consulted in the preparation of this report.

5. Communication

- 5.1 Part of the Action Plan includes a commitment to communicate on procurement matters to staff and Elected Members.

2. BACKGROUND PAPERS

- 2.1 Hyperlinks to background papers are included in the text of the report.

3. APPENDICES

- 3.1 Appendix 1 – Perth and Kinross Council Procurement Strategy, including the Contract Delivery Plan and the Improvement Plan.

