

# PERTH AND KINROSS COUNCIL

## Strategic Policy and Resources Committee

24 November 2021

### PROCUREMENT UPDATE

#### Report by Head of Finance

(Report No. 21/217)

This report provides an update on the Council's procurement activity, setting out the Annual Procurement Report for the financial year 2020/21, and proposing a Procurement Strategy for 2021-2023

## 1. BACKGROUND

- 1.1 This report records the procurement activity carried out by the Council during 2020/21 and proposes an updated Procurement Strategy for the 2021-2023 period. The two appended reports give more detail on the procurement contribution to achieving the Council's strategic objectives.
- 1.2 Annual reporting on procurement activity became a statutory duty following the implementation of the Procurement Reform (Scotland) Act 2014 (the Act). The Council is now required to provide both a retrospective Annual Report, as well as setting out its procurement strategy going forward.
- 1.3 This report has been prepared in line with guidance issued by the Scottish Government. The statutory duties set out by the Act are explicit and include a requirement to provide information on all regulated procurement exercises. The Government guidance provides a template to ensure all reporting public bodies in Scotland provide broadly comparable data.
- 1.4 The Act requires that notification of publication of our Annual Report be made to the Scottish Ministers.
- 1.5 Subject to approval by this committee, the Annual report and the revised Strategy will be published on the Council's website in order to meet the Scottish Government reporting requirements

## 2. PROPOSALS

- 2.1. This reporting requirement is set out in:

- the Council's Scheme of Administration;
- the Council's Contract Rules;

which establish the requirement for Executive Directors to report on the how the Council attends to its tenders and the monies it provides to third parties annually.

- 2.2 The publication of this type of information enhances transparency in our purchasing activities and helps us to promote the opportunities for working with Perth & Kinross Council.
- 2.3 The reports include analysis of the numbers and sizes of businesses located in the Perth and Kinross area who have registered an interest in the provision of goods and services, or conclusion of works on behalf of the public sector in general.

### 3. CONCLUSION AND RECOMMENDATIONS

- 3.1 The Annual Report presented at Appendix 1 provides an overview of the procurement work undertaken on behalf of the Council in 2020/21.
- 3.2 The updated Procurement Strategy presented at Appendix 2 sets out the positive approach to procurement proposed by the Council in 2021-2023.
- 3.3 The Strategic Policy & Resource Committee is requested to:
- i) Approve for publication the Procurement Annual Report (Appendix 1)
  - ii) note the record of tenders accepted and payments made in 2020/21 under the Council's Scheme of Delegation
  - iii) Approve the proposed Procurement Strategy for 2021-2023 (Appendix 2)

#### Author(s)

| Name                               | Designation                               | Contact Details  |
|------------------------------------|---|--|
| Lynzi Stewart<br>Vanessa Robertson | Senior Procurement Officer<br>Team Leader | <a href="mailto:CHXFinance@pkc.gov.uk">CHXFinance@pkc.gov.uk</a> |

#### Approved

| Name              | Designation             | Date            |
|-------------------|-------------------------|-----------------|
| Karen Donaldson   | Chief Operating Officer | 5 November 2021 |
| Stewart Mackenzie | Head of Finance         | 5 November 2021 |

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## 1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

| <b>Strategic Implications</b>                       | <b>Yes / None</b> |
|---|-------------------|
| Community Plan / Single Outcome Agreement           | <b>Yes</b>        |
| Corporate Plan                                      | <b>Yes</b>        |
| <b>Resource Implications</b>                        |                   |
| Financial   | <b>None</b>       |
| Workforce   | <b>None</b>       |
| Asset Management (land, property, IST)              | <b>None</b>       |
| <b>Assessments</b>                                  |                   |
| Equality Impact Assessment                          | <b>Yes</b>        |
| Strategic Environmental Assessment                  | <b>Yes</b>        |
| Sustainability (community, economic, environmental) | <b>Yes</b>        |
| Legal and Governance                                | <b>None</b>       |
| Risk  | <b>None</b>       |
| <b>Consultation</b>                                 |                   |
| Internal  | <b>Yes</b>        |
| External  | <b>None</b>       |
| <b>Communication</b>                                |                   |
| Communications Plan                                 | <b>None</b>       |

### 1. Strategic Implications

#### Community Plan

1.1 Enhanced procurement capability contributes to the delivery of the Perth and Kinross Community Plan / 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 Enhanced procurement capability contributes to the delivery of the Perth and Kinross Corporate Plan / 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; and
- (v) Creating a safe and sustainable place for future generations.

## 2. Resource Implications

### Financial

- 2.1 Budgetary provision has been made to resource the procurement work detailed in this report, and as such there are no direct financial implications arising from this Report.

## 3. Assessments

### Equality Impact Assessment

- 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 information contained within this report has been considered under the Corporate Equalities Impact Assessment process (EqIA) and has been 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.
- 3.4 The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report.

### Sustainability

- 3.5 Under the provisions of the Local Government in Scotland Act 2003 the Council has to discharge its duties in a way which contributes to the achievement of sustainable development. In terms of the Climate Change Act, the Council has a general duty to demonstrate its commitment to sustainability and the community, environmental and economic impacts of its actions.
- 3.6 The information contained within this report has been considered under the Act. However, no action is required as the Act does not apply to the matters presented in this report. The appropriate actions will be applied to individual Contract Strategies to ensure the requirements of the Climate Change Act are met when procurement exercises are carried out.

## 4. Consultation

### Internal

4.1 The information contained in this report has been prepared in consultation with:

- (i) the Chief Accountant
- (ii) the Head of Legal and Governance

### External

4.2 No external consultation was required in the preparation of this report.

## 5. Communication

5.1 Information contained within this report will be published on the Perth and Kinross Council website.

5.2 Notification of the publication of the annual report on procurement will be made to the Scottish Ministers following Committee approval.

## 6. BACKGROUND PAPERS

[Procurement reform Act \(Scotland\) 2014](#)  
[Procurement \(Scotland\) Regulations 2016](#)  
[Statutory Guidance applicable under the Act](#)

## 7. APPENDICES

- **Appendix 1**– Procurement Annual Report 2020/21
- **Appendix 2** – Procurement Strategy 2021 - 2023