

PERTH AND KINROSS COUNCIL
STRATEGIC POLICY AND RESOURCES COMMITTEE

25 November 2020

PROCUREMENT UPDATE 2019/20

Report by Head of Finance
(Report No. 20/231)

<p>This report provide an update on the Councils procurement activity in 2019/20 and details the projected contracting activity for 2020/21</p>

1. BACKGROUND

- 1.1 This report records the procurement activity carried out by the Council during 2019/20. The appended Annual Procurement Report gives more detail on the procurement contribution to achieving the aims and objectives of the Council.
- 1.2 Annual reporting on procurement performance became a statutory duty following the implementation of the Procurement Reform Act 2014 (the Act).
- 1.3 This, the third report of its kind, has been prepared in line with new 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 and methodologies used in review of these activities. The new guidance provided a template to ensure all reporting public bodies provide comparable data.
- 1.4 The Act requires that notification of publication of annual reports be made to the Scottish Ministers. Annual procurement reports are normally required to be published within four months of the end of the authority's financial year . This year, in light of the impact of Covid 19, an extension to the timeline for publication was agreed by Scottish Government, who asked that reports be published as soon as reasonably practicable and if possible before early 2021
- 1.5 Subject to approval by this committee, the Annual Report will be published on the Council's website in order to meet the Scottish Government reporting requirements.

2. PROPOSALS

- 2.1. This annual reporting requirement is set out in:
 - the Council's Scheme of Administration
 - the Council's Contract Rules
 - and the Code of Guidance for Following the Public Pound

which establish the requirement for Executive Directors to report on the acceptance of tenders and monies provided to third parties through Following the Public Pound arrangements annually.

- 2.2 A contract delivery plan has also been produced which sets out the planned procurement activities for the coming 24 months. This information will also be published on the Council website, which satisfies the requirements of the Act.
- 2.3 The publication of this information enhances transparency in our purchasing activities and helps us to promote the opportunities for working with Perth and Kinross Council in the provision of public services.
- 2.4 The annual report includes analysis of the numbers and sizes of businesses located in the Perth and Kinross area which 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 how the procurement work undertaken on behalf of the Council in 2019/20 has supported delivery of the Corporate Plan.
- 3.2 The report includes an overview of the positive outcomes delivered through procurement by the Council in 2019/20.
- 3.3 The Council's current Procurement Strategy includes planned activities which will be undertaken to deliver on the priorities, actions and targets for 2020/21. A full review of how procurement can continue to deliver value in Perth and Kinross is core to the current work ongoing to enhance collaboration on procurement across local authorities in Tayside.
- 3.4 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 in 2019/20 under the Council's Scheme of Delegation
 - iii) Note the projected contracting activity for 2020/21

Author(s)

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Approved

Name	Designation	Date
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Karen Donaldson	Interim Chief Operating Officer (Corporate & Democratic Services)	18 November 2020

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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	None
Workforce	None
Asset Management (land, property, IST)	None
Assessments	
Equality Impact Assessment	Yes
Strategic Environmental Assessment	Yes
Sustainability (community, economic, environmental)	Yes
Legal and Governance	None
Risk	None
Consultation	
Internal	Yes
External	None
Communication	
Communications Plan	None

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:

- the Chief Accountant
- 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 Tayside Procurement Consortium and Perth and Kinross Council websites.

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

2. BACKGROUND PAPERS

[Procurement reform Act \(Scotland\) 2014](#)

[Procurement \(Scotland\) Regulations 2016](#)

[Statutory Guidance applicable under the Act](#)

[Supplementary Guidance 2019](#)

[Annual Report on Procurement Activity in Scotland 2019](#)

3. APPENDICES

- Appendix 1 – Procurement Annual Report 2019/20