

S6. PROCUREMENT IN COUNCILS – IMPACT REPORT

The committee considered a report by the Director of Corporate and Housing Services which provided information on the Accounts Commission impact report on “Procurement in Councils”. The report also provided information in relation to the Public Contracts (Scotland) Regulations 2015. Appended to the report were documents providing information on both national and local progress on implementing the Accounts Commission’s recommendations. David McGhee provided an overview of the report.

The committee discussed the key changes under the 2015 Regulations and highlighted concerns around the volatility of the care home sector. David McGhee stated that the Council took part in the National Care Home Contract which was operated by Scotland Excel. Officers monitored the situation regarding residential care homes and engaged directly with them to identify any issues in the provision of service early. It was highlighted that issues could include management changes and difficulties with recruitment of staff. Officers would intervene in such situations where possible and appropriate. In response to a comment from the committee of concern relating to a change to a “new light touch regime for procurement of social/other services”, David McGhee stated that this related to advertising obligations and the selection of tenders.

Members asked if the Council provided support to small and medium sized enterprises to complete the online system. David McGhee stated that such an approach was at the heart of the Council’s practice and the Service worked closely with the Business Gateway. There was engagement with providers to help them trade locally and more widely. The Council also ran procurement clinics.

The committee discussed the impact of the living wage and when fair working practices might not be felt to be relevant and proportionate to include for evaluation. David McGhee stated that the living wage was a consideration across all procurement activity but could not be made mandatory. The Council could apply it higher criteria in evaluation terms. He commented that contracts for materials and services would be differently weighted. There was no blanket approach in place for evaluation and weighting.

Decision

The committee noted:-

- (1) the Accounts Commission Procurement in Councils impact report;**
- (2) the changes arising from the Public Contracts (Scotland) Regulations 2015 and the Procurement Reform (Scotland) Act 2014, and**
- (3) the new procurement assessment regime and associated implications.**