

I refer to the agenda for the meeting of the Policy & Resources Committee to be held on Tuesday 23 March 2021 at 3pm and attach report as undernoted which was not available on the day of issue.

ANNE SINCLAIR
Interim Head of Legal Services

UNDERNOTE

2. **COVID-19 Update**
Report by Interim Director Environment & Economic Recovery

| | | | |
|-------------------------|---|--------------------|----------------------|
| Report To: | Policy & Resources Committee | Date: | 23 March 2021 |
| Report By: | Interim Director Environment & Economic Recovery | Report No: | PR/04/21/MM |
| Contact Officer: | Martin McNab | Contact No: | 01475 714246 |
| Subject: | COVID-19 Update | | |

1.0 PURPOSE

1.1 The purpose of this report is to update the Committee on actions taken to mitigate the risks around the Covid-19 outbreak and to report on items requiring Committee approval or scrutiny under the expedited procedures.

2.0 SUMMARY

2.1 This report updates Members on a number of specific areas of work in addressing the Covid-19 pandemic including the vaccination strategy. It does not cover all service related issues, for example education delivery, as the majority of these will be reported through the appropriate service committee. Action logs for decisions made on service delivery will also be reported through the appropriate service committees. The P & R Action log is attached for members noting at Appendix 1.

2.2 Sections 10-14 of the report cover items which require to be reported to committee under the expedited procedures. Section 10 covers the Annual Procurement Report which is attached at Appendix 2. Section 11 covers direct awards made under emergency powers. Section 12 covers the Council's annual report on Equalities outcomes and proposes new outcomes for 2021/25. Section 13 covers Localities Planning and Section 14 updates on progress on the Inverclyde Jobs Recovery Plan.

3.0 RECOMMENDATIONS

3.1 That members note the actions taken to date to mitigate the effects of the Covid-19 outbreak in Inverclyde.

3.2 It is recommended that the Committee:

- Notes the Annual Procurement Report 2019-20, and
- Approves its publication on the Council website.

3.3 It is recommended that the Committee:

- Notes the information in this report in relation to Equalities and the publication of the Mainstreaming Report, and
- Approves the proposed Equality Outcomes for 2021/25.

3.4 It is recommended that Committee:

- Notes the extended approach to implementation of locality planning groups and the consolidation of support arrangements within the Council CLD team, and
- Approves the model and guidance of Ward based representation proposed

3.5 It is recommended that the Committee notes the progress on the Inverclyde Jobs Recovery Plan.

Martin McNab
Head of Public Protection & Covid Recovery

4.0 BACKGROUND

- 4.1 Members will recall that the previous report to the February Committee highlighted the extremely rapid rise in Covid cases over the Christmas and New Year period. Since then the rates in Inverclyde have declined on a consistent basis and the rate has been between 20 and 30 cases per 100K over the week leading up to the time of writing. Members should note that in spite of this we are tragically still seeing a number of Covid deaths coming through. These unfortunately are reflective of the situation some weeks ago and it is to be hoped that there will be a rapid decline in these in line with both the greatly reduced rate but also the increasingly positive vaccination status of more vulnerable groups.
- 4.2 Vaccinations continue to be delivered by both the HSCP who have delivered second doses in all the care homes and the Health Board delivery at Port Glasgow and Greenock Town Halls. At present the Board is vaccinating Cohort 7 of the JCVI priority list (60-64) and is confident of completing the priority list by mid-April. Planning is currently underway for the wider population and how this aligns with second doses for those already vaccinated.

5.0 ORGANISATIONAL RESILIENCE

- 5.1 Internal and external communications, decision-making and response arrangements continue to be delivered through a strategic (CMT) and tactical (through our Council Resilience Management Team – CRMT incorporating Inverclyde HSCP) coordination and meeting structure. Additionally the HSCP continues to manage its response through the Local Management Resilience Team (LMRT) on which the Council has a number of representatives ensuring that the Council & HSCP are entirely joined up on decision making. With the reduction in case levels the frequency of meetings has been reduced to every second week for both the CRMT and LRMT but both can step up immediately should this be required.
- 5.2 From a multi –agency perspective the HSCP LMRT feeds into a GG & C Health Board wide gold command structure covering acute, primary & social care on which some multi-agency partners are represented. The strategic level LRP continues to operate at the level of the Health Board incorporating the six constituent councils and appropriate multi-agency partners. Regular meetings are also held at Chief Executive level with the other local authorities and the health board.

6.0 WORKFORCE ISSUES

- 6.1 The issues in terms of workforce availability and confidence are crucial. Officers from Organisational Development, Policy & Communications are in contact with COSLA colleagues relative to workforce statistics, illness/absence rates, working from home, etc. This information is being collated at a national level and is helping to inform discussions between senior leaders in SOLACE, COSLA and the Scottish Government regarding the impact of COVID-19 on service provision, and the key staffing issues that require some form of national consideration.
- 6.2 Employee attendance
Information is being gathered on a daily basis by managers across the Council. This allows managers to assess resource implications for delivering essential services and also to maintain contact and support those unable to attend work.
- 6.3 The table below provides approximate absence levels council wide and within some of our key essential service areas, as at 12 March 2021:

| | |
|---|---|
| Council | |
| Historic average absence rate (%) (Pre Covid-19 to give a baseline comparator) | 4.3% |
| Absence rate on 12 March 2021 (%) (This includes all those employees reporting sick, those isolating, those absent with caring responsibilities and those non-essential employees at home unable to work from home). | Council Wide 6.4% |
| | <u>Essential Services Breakdown (% of Service Area)</u> |
| | Home Care 8.7% |
| | Other HSCP 3.7% |

Please note that this excludes employees working from home.

Waste Management 8.9%
Facilities 7.2%

6.4 The table below provides a comparison of absence levels across the Council over the past few weeks which have been reported to this Committee.

| | 28.4.20 | 12.5.20 | 26.5.20 | 9.6.20 | 16.7.20 | 5.8.20 | 9.9.20 | 17.11.20 | 19.1.21 | 5.2.21 | 12.3.21 |
|-------------------|---------|---------|---------|--------|---------|--------|--------|----------|---------|--------|---------|
| Council | 18.5% | 17.5% | 17.6% | 16.9% | 7.5% | 7.5% | 7.7% | 6.1% | 7.6% | 6.6% | 6.4% |
| Home Care | 27.3% | 19.2% | 20.2% | 18.5% | 7.8% | 8.0% | 7.9% | 5.0% | 12.0% | 11.2% | 8.7% |
| Other HSCP | 21.87% | 14.2% | 17.3% | 11.22% | 6.3% | 6.1% | 6.2% | 4.2% | 3.6% | 3.9% | 3.7% |
| Waste Mgt | 29.5% | 24.3% | 24.0% | 23.9% | 9% | 8.9% | 8.6% | 8.0% | 9.5% | 10.7% | 8.9% |
| Facilities | 23.0% | 26.1% | 22.2% | 14.6% | 4.5% | 4.6% | 5.1% | 4.6% | 8.0% | 5.9% | 7.2% |

7.0 SUPPORT FOR BUSINESSES

7.1 The Council continues to administer a number of funding streams for business grants on behalf of the Scottish Government. Teams within the Finance Service and the Regeneration and Planning Service have processes in place to release the support timeously.

Despite the understandable pressure to release payments as soon as possible robust governance checks are in place to ensure that only valid payments are made. Business grant support payments made by the Council in 2020/21 now exceed £17 million with an estimate that this will exceed £18 million by the end of March.

Of the current live schemes the level of payments as at 8 March were as follows:

Strategic Framework Closure and Hardship - £2.121million to 426 Businesses
Retail, Hospitality & Leisure Top Up Grants - £2.438million to 380 Businesses
Taxi Drivers fund – £537,000 paid to 358 taxi and private hire drivers

The Council has now disbursed £326,000 in the discretionary fund.

8.0 VACCINATION STRATEGY

8.1 Vaccination of residents in care homes commenced before Christmas and was largely completed early in the New Year. This first wave of vaccinations was delivered by the HSCP and coincided with the start of vaccination for frontline Health & Social Care staff. Since the last update the all residents of care homes with the exception of a small number who may have newly arrived from hospital have received their second dose. The roll out of second doses to the wider community will begin w/c 22 March with the over 80 cohort.

8.2 The priority groups in the population for vaccination has been set nationally by the Joint Council for Vaccination and Immunisation (JCVI). At the time of writing this report vaccination has commenced for Priority Group 7, the 60-64 age group. Appointment letters will be going out from the Health Board shortly for priority Group 8 (55-59) closely followed by Group 9 (50-54). At that point all of the JCVI priority Groups will have been offered at least 1 dose. Second doses will be rolled out in the same order with vaccination of the under 50's commencing in parallel. As of the 16th March 46.4% of the Inverclyde adult population had received a first dose and 4% had received a second dose.

9.0 TESTING

9.1 The drive through testing facility at Parklea continues to operate every second day in tandem with the Crawfurdsburn walk in facility. It is undoubtedly the case that the testing capacity available was

extremely helpful in the initial phase of the current pandemic wave. Access to testing is essential to allow positive cases to be identified and limit the spread from undiagnosed cases and asymptomatic contacts. The availability of testing locally will have contributed to the relatively rapid decline in cases from the initial very high peak in late December.

- 9.2 A community asymptomatic testing centre is currently operating from the Gamble Halls. Officers are looking at how this might be moved around Inverclyde over the coming weeks and what the long term plan is for asymptomatic testing in the GGC area. The government's testing strategy is due to be published on 17th March which will inform the long term plans for asymptomatic testing.

10.0 ANNUAL PROCUREMENT REPORT 2019/20

- 10.1 As required under section 15 of the Procurement Reform (Scotland) Act 2014 a contracting authority must publish a Procurement Strategy by December 2016 and subsequently produce an Annual Procurement Report, required by section 18 of the Act. The Annual Procurement report monitors the authority's regulated procurement activities against delivery of its procurement strategy and should be published as soon as is reasonably practicable after the end of their financial year. The publication of the 2019/20 report has been impacted by COVID-19 outbreak and prioritisation of resources.
- 10.2 The Annual Procurement Report attached within Appendix 2 covers all regulated procurements completed during the period 1 April 2019 to 31 March 2020. The report highlights that the total Procurement Spend for 2019/20 was £115,819,705. There were 12 regulated procurements performed in the period with a total value of £7,566,287. Previous procurement reports have updated this Committee on the Council's spend with local and small and medium sized enterprises (SME) suppliers. The spend with SME suppliers for 2019/20 is 64.2%. The spend in 2019/20 with local suppliers is 27.5% and this compares favourably with the Scottish Local Authority average of 26.2%.

The Committee is requested to note the latest spend with SME and local suppliers and approve the publication of the Annual Procurement Report 2019/20 on the Council's website.

11.0 EMERGENCY POWERS – DIRECT AWARDS

- 11.1 Approval was granted by Councillors McCabe, Clocherty and Robertson on 8 March under Emergency Powers for officers to make a number of direct awards totalling £330,000 to ensure the timeous utilisation of Scottish Government funding in relation to Community Health & Well Being. The direct awards will run until March 2022 with officers committed to undertaking appropriate tender processes for expenditure beyond this period.

12.0 EQUALITIES

- 12.1 The Equality Act 2010 requires the Council as a public body, to publish Equality Outcomes every four years and report on their progress via a Mainstreaming Report every two years. Reports require to be published by 30 April in the relevant year. The report has been devised which covers progress made with the delivery of the Equality Outcomes 2017/21, and details, following public consultation, five new Equality Outcomes for the period 2021/25. The Councils' Corporate Equalities Group will oversee the development of the Equality Outcomes action plan for 2021/25 which will be the subject of a future report to Committee.

| | Proposed Equality Outcomes |
|------------|---|
| Outcome 1: | Increase the participation of seldom-heard/under-represented voices in local decision-making processes |
| Outcome 2: | Improve support for older people in the community |
| Outcome 3: | Take action to prevent violence against women and girls in Inverclyde |
| Outcome 4: | Increase the diversity of the Council workforce |
| Outcome 5: | Improve the economic prospects of people who are furthest from the Labour Market including young people, older people and disabled people |

As per the requirement, information is now available on the Protected Characteristics of the Council's employees, covering the financial years 2018/19 and 2019/20, together with Pay Gap details relating to Gender, Disability and Ethnicity and the Council's Equal Pay Statement 2021. The full report is available to view on the Council's website: [Equality Mainstreaming Reports](#)

13.0 LOCALITY PLANNING

- 13.1 The Community Empowerment (Scotland) Act 2015 placed a statutory requirement on Inverclyde Alliance to develop locality plans for the communities of Inverclyde that experience the greatest inequalities. In addition, the Public Bodies Joint Working (Scotland) Act 2014 placed responsibility on the HSCP in relation to locality planning.
- 13.2 Work has been underway to develop the six identified localities across Inverclyde to develop the required Community and Engagement Groups (CEGs) and Locality Planning Groups (LPGs). Covid 19 has impacted on this progress however valuable lessons have been learned from the work to date. The success of locality planning is dependent on taking the required time to build that strength and confidence of community representatives at the Community and Engagement Group to ensure a valuable and informed community voice at the Locality Planning Group. In order to fully support this, the Council's Community Learning and Development Service will take a coordinating role while working with other key partners, 3rd sector and other community organisations to ensure a consistent approach, which is critical to their development.
- 13.3 Elected Members participation in locality planning will be in the form of ex-officio membership, in the same way as is in place for Community Councils. This observational role ensures Elected Members have a link with the work of LPGs and can hear how plans are progressing in their area, however the current locality areas do not fully align to the wards. To enable appropriate representation, alignment between wards and localities has been undertaken and it is proposed that this is used as a guide for elected members to attendance. As a guide it is preferably no more than one Elected Member from each political group in each aligned ward be nominated to attend the relevant LPG. This would see potentially between two and four Elected Members in attendance. This representation reflects the very important role of Elected Members in supporting local democracy, balanced with stakeholder and community representation. An Elected Member briefing on Localities, to which all members were invited, was held on the 11th March 2021 with a briefing note circulated.

14.0 INVERCLYDE JOBS RECOVERY PLAN

- 14.1 The Corporate Management Team are progressing the employability initiatives agreed at the November 2020 P&R Committee and further updates will be provided during the lifespan of the project.

An important element of the initiative is to raise the profile of job vacancies, training and other employability initiatives to the broadest possible audiences to encourage more people into employment and training to support community recovery. A campaign is currently being developed by Corporate Communications, using the theme 'Inverclyde works' to co-ordinate recruitment marketing across the council, HSCP and available, potentially, to partners and other local employers. Given the campaign will require to promote opportunities as they become available it is highly likely that it may require to launch during the pre-election period for the up-coming Scottish Parliament elections and, although much of it is a new initiative, Covid recovery, recruitment and employability generally are an ongoing activity and the campaign should be considered 'business as usual' for the purposes of local government publicity.

15.0 IMPLICATIONS

15.1 Finance

Financial matters are the subject of a separate report from the Chief Financial Officer.

| Cost Centre | Budget Heading | Budget Years | Proposed Spend this Report £000 | Virement From | Other Comments |
|-------------|----------------|--------------|------------------------------------|---------------|----------------|
| N/A | | | | | |

Annually Recurring Costs/(savings)

| Cost Centre | Budget Heading | With effect from | Annual net impact £000 | Virement From | Other Comments |
|-------------|----------------|------------------|------------------------|---------------|----------------|
| N/A | | | | | |

15.2 Legal

None

15.3 Human Resources

The Head of Organisational Development, Human Resources and Communications has been consulted on the legal implications of the appendix.

15.4 Equalities

(a) Has an Equality Impact Assessment been carried out?

| | |
|---|---|
| | YES (see attached appendix) |
| X | NO - This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required. |

(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report's recommendations reduce inequalities of outcome?

| | |
|---|--|
| | YES – A written statement showing how this report's recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed. |
| X | NO |

(c) Data Protection

Has a Data Protection Impact Assessment been carried out?

| | |
|---|---|
| | YES – This report involves data processing which may result in a high risk to the rights and freedoms of individuals. |
| X | NO |

15.5 Repopulation

There are no impacts on repopulation arising from this report.

16.0 CONSULTATIONS

16.1 The Corporate Management Team has been consulted on this report.

17.0 BACKGROUND PAPERS

17.1 None

Policy & Resources Committee

Operational Decision Log: 2021

**From: w/c 29 January 2021
To: 11 March 2021**

**Chief Executive
AF/KB**

POLICY & RESOURCES COMMITTEE – OPERATIONAL LOG 2021

| | Service Issue | Action Taken | Reported to CMT | Supporting Report Yes – N/A | Implemented | Officer |
|----|--|--|-----------------|--------------------------------|-------------|---|
| 4. | <p>Free School Meals /Clothing Grant: schools will be closed because of Level 4 restrictions and many families will be affected by increases in food shopping costs.</p> <p>Schools now closed over the February Half Term thus impacting on the planned Half Term/Easter holiday payment of £35</p> | <p>Increase daily payment from £2.50 to £3.00 from 26.12.20 to pupils who meet the Council's enhanced qualifying criteria for Free School Meals.</p> <p>Easter holiday only payment to be amended to £30 as Half Term Payment now covered above.</p> <p>Funding to be met from national scheme with any funding shortfall from other COVID grants.</p> | 26.1.21 | Yes | 11.2.21 | Corporate Director Education, Communities & Organisational Development /Chief Financial Officer |
| 5. | The Council allocated £120,000 in November 2020 to increase the existing £75 to £150 for 75 years heating grant scheme to reflect additional costs due to lockdown. This sum has been fully committed and iHeat can expend further £20,000 by 31.3.21 to support 133 grants. | Allocate further £20,000 to iHeat for use by 31.3.21 to support the £150 Heating Grants project with additional allocation of up to a further £20,000 dependent upon demand. | 2.2.21 | Yes | 2.2.21 | Chief Financial Officer |
| 6. | Hardship Funding: Additional staffing for Your Voice to undertake support to communities | Support additional staffing for six months, January to June 2021, for Your Voice for Keeping in Touch calls with people who are lonely or isolated and assistance for vulnerable, including shopping assistance: costs £15,000 funded from Level 4 Grant. | 11.2.21 | Yes | 11.2.21 | Corporate Director / Chief Officer HSCP |

| | | | | | | |
|----|---|---|---------|-----|---------|-------------------------|
| 7. | The impact assessment of a Cyber Attack on a public sector partner recommends action through training and awareness of staff on risks of “phishing” emails which contain links or codes to install malicious software | Procure an extra module from the Council’s cyber security supplier through a three-year licence at one-off cost £11,877 and implement internal staff “phishing” campaign and training: costs from Cloud earmarked reserve | 23.2.21 | Yes | 23.2.21 | Chief Financial Officer |
|----|---|---|---------|-----|---------|-------------------------|

Inverclyde Council

Annual Procurement Report

1ST APRIL 2019 – 31ST MARCH 2020

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1. Introduction

As required under section 15 of the Procurement Reform (Scotland) Act 2014 (“the Act”), a contracting authority must publish a Procurement Strategy by December 2016 and subsequently produce an Annual Procurement Report, required by section 18 of the Act. The Annual Procurement report monitors the authority’s regulated procurement activities against delivery of its procurement strategy and should be published as soon as is reasonably practicable after the end of their financial year. The 2019/20 Report is being issued later than normal due to the impact of Covid.

Inverclyde Council is pleased to publish our second Annual Procurement Report. The content of this Report covers all regulated procurements completed during the period 1st April 2019 to 31st March 2020 and details how those procurements supported the objectives included within the council’s Corporate Procurement Strategy.

All actions listed on the action plan were completed within the agreed timescales.

Key benefits delivered by these actions included:

- Updating process and procedures to comply with the requirements of the new procurement rules and regulations.
- Increasing time spent on strategic aspects of procurement activities.
- Supporting the council’s overall savings targets.
- Embedding the council’s community benefits policy into all relevant and proportionate contracts delivering a greater volume and increased variety of outcomes across a wider range of commodities.
- Transitioning to the Scottish Government Procurement Journey which standardised and aligned our processes and procedures and reduced risk and duplication.
- Ensuring Small and Medium-sized Enterprises (SMEs) are provided targeted opportunities as standard within our Quick Quote process (Goods and Services under £25,000, Works under £100,000).
- Fulfilment of our procurement work plans, including the delivery of tenders supporting special projects (e.g. The Glasgow City Region City Deal)

The Council was assessed as part of the national Procurement and Commercial Improvement Programme (PCIP), and achieved a score of 70% in 2016. The PCIP assessment was planned to take place in late 2020 has been postponed until 2022 as a result of the pandemic.

2. Summary of Regulated Procurement

Section 18(2)(a) of the Procurement Reform (Scotland) Act 2014 requires organisations to include: “a summary of the regulated procurements that have been completed during the year covered by the report”

Regulated procurement refers to any procurement above £50,000 for goods and services or £2,000,000 for works. A regulated procurement is completed when the award notice is published or where the procurement process otherwise comes to an end. Regulated procurements can refer to new contracts and framework agreements but also to mini-competitions and call offs from existing framework agreements.

In total the council completed 12 regulated procurements during the reporting period with a total value of £7,566,287

| Type | Volume | Value |
|------------------------------------|--------|------------|
| Awards of New Council Contracts | 7 | £6,820,887 |
| Awards from Non Council Frameworks | 5 | £745,400 |

Appendix 1 shows a full list of each individual procurement completed.

We also utilised the COSLA National Care Home Contract to make awards above regulated procurement with a total value of £12,500,000.

During the reporting period, we also utilised a number of legacy non council frameworks on a call off basis, meaning a large volume of low value orders were raised accumulating to more than £50,000. The 2019/20 spend is shown for each framework in Appendix 1 table 2. It should be noted that the reported collaborative spend is lower than usual as a result of outstanding management information from framework suppliers due to pandemic.

Contract values are based on the total value of the contract for all years that the contract could be in place and therefore includes possible extensions.

During the same period there were instances where alternative methods of procurement were used in line with the regulations and the Council Standing Orders Relating to Contracts (e.g. where there is only one potential supplier).

3. Review of Regulated Procurement Compliance

Section 17 of the Procurement Reform (Scotland) Act 2014 requires that regulated procurements be carried out in accordance with the organisation's procurement strategy, so far as reasonably practical. Section 18(2) states that an annual procurement report must include, at 18(2)(b), "a review of whether those procurements complied with the authority's procurement strategy" and, at 18(2)(c), "to the extent that any regulated procurements did not comply, a statement of how the authority intends to ensure that future regulated procurements do comply".

The Council's Procurement Strategy sets out how regulated procurement would be undertaken in compliance with the Act. This Strategy also set out objectives for improving the process and procedures relating to regulated procurements.

From the Strategy objectives we identified the following key compliance categories:

- Best Value
- Fairness and transparency (General Duties)
- Economic and social sustainability (community benefits)
- Environmental sustainability
- Fair work practices (including Living Wage)
- Purchase to pay efficiencies

Further information on the requirements of the Act can be seen in Appendix 2.

All regulated procurement in the council is undertaken in accordance with a legal and procedural framework which ensures that each procurement is compliant with the Strategy. Legal requirements are set out in the Council Standing Orders Relating to Contracts. Procedural requirements are set out in Scottish Government Procurement Journey (for general procurement best practice) and the Corporate Procurement Manual.

Throughout the reporting period, our regulated procurements were monitored on an ongoing basis. This monitoring process consisted of reviewing the key supporting documents that underpin our legislative and procedural framework including sourcing strategies, project plans, procedural documentation, scoring calculators and approval reports. The monitoring process was supplemented by post project reviews, which are undertaken after a contract is awarded as well as at the end of the contract. In addition the best value aspect of our contracts is monitored regularly as part of a robust contract management process. These combined processes ensured that all regulated procurements were undertaken in compliance with the legal and procedural framework and, as a result, in compliance with the Strategy. The reviews have also allowed us to identify the following potential improvement areas:

- There are further opportunities to secure economic and social sustainability outcomes from non Council frameworks.
- Existing contract and frameworks can continue to be targeted in order to increase purchase to pay efficiencies.
- Continue to work with client teams on advance provision of work plans which will allow increased opportunity to deliver best value from our regulated procurements.

The council is committed to ensuring that all suppliers who are awarded business are paid within 30 days. Prompt payment clauses requiring a 30 day payment term are embedded within our contractual terms and conditions. Suppliers are required to apply the same terms and conditions with their sub-contractors who are delivering and supporting the council contract.

4. Community Benefit Summary

Section 18(2)(d) of the Procurement Reform (Scotland) Act 2014 states that it is mandatory for an annual procurement report to include “a summary of any community benefit requirements imposed as part of a regulated procurement that were fulfilled during the year covered by the report”.

Section 25 of the Procurement Reform (Scotland) Act 2014 mandates that all contracting authorities “must consider whether to impose community benefit requirements as part of the procurement” when the estimated contract value is greater than or equal to £4,000,000.

The council’s own policy and manual stipulates that community benefits must be considered for inclusion in all works contracts with an estimated value greater than £1,000,000 and give consideration to include in all goods and services contracts above £50,000.

Robust processes have been developed to ensure that community benefits are considered for inclusion in all relevant contracts in line with the requirements of both the Procurement Reform (Scotland) Act 2014 and the Council’s own community benefits policy.

When initiating procurement activity, client departments are required to consider and highlight potential community benefits considerations for inclusion where relevant. Procurement staff then engage with key stakeholders and undertake market research and benchmarking activity to further explore potential opportunities and identify appropriate requirements for inclusion in the contract.

Delivery of agreed outcomes is monitored and reported internally on a quarterly basis using monitoring updates provided by suppliers. Information on community benefit requirements fulfilled during the period 1 April 2019 to 31 March 2020 can be found in the summary below.

| Type of Community Benefit | Number Delivered |
|------------------------------|------------------|
| Employment & Skills Activity | 3 |
| Support Education Activities | 2 |

Appendix 3 provides details of all outcomes secured and delivered during the reporting period.

5. Fair Work and the Real Living Wage

As an update to the requirements and as introduced in the 2018/19 Procurement Annual report, the Council is also required to provide the following summary:

| | |
|---|---|
| a) The number of regulated contracts awarded during the period that have included a scored Fair Work criterion. | 9 |
| b) Number of unique supplier who have committed to pay the real Living Wage in the delivery of a regulated contract awarded during the period. | 9 |
| c) Number of unique suppliers who are accredited Living wage employers and were awarded a regulated contract during the period. | 1 |
| d) Number of unique suppliers who have signed up to the Scottish Business Pledge and were awarded a regulated contract award during the period. | 1 |

6. Payment Performance

As an update to the requirements and as introduced in the 2018/19 Procurement Annual report, the Council is also required to provide information on payment performance as summarised in the table below:

| | |
|---|--------|
| a) Number of valid invoices for the period. | 41,065 |
| b) Percentage of invoices paid on time for the period. | 96.13% |
| c) Number of regulated contracts awarded during the period containing a contract term requiring the prompt payment of invoices in public contract supply chains | 12 |
| d) Number of concerns raised by sub-contractors about the timely payment of invoices within the supply chain of public contracts | 0 |

A detailed summary of spend by supplier using a purchase card is provided in Appendix 5. Although this is not a requirement of the act this information serves as an extra level of transparency. All of these transactions involve legitimate expenses and have been fully scrutinised before being approved.

7. Supported Businesses Summary

Section 18(2)(e) of the Procurement Reform (Scotland) Act 2014 requires organisations to include “a summary of any steps taken to facilitate the involvement of supported businesses in regulated procurements during the year covered by the report”.

The council’s Contract Standing Orders dictates that consideration be given to inclusion of supported businesses in all regulated procurements.

During the reporting period there were no regulated procurements awarded to supported businesses. The reason for this is that the goods, services or works associated with these procurements are not provided by existing supported businesses.

The council does have existing agreements in place with Lady Haigs Poppy Factory, spending £438.00 who are a registered Supported Business and continues to explore opportunities for other organisations to become a supported business.

8. Spend and Savings Summary

As an update to the requirements and as introduced in the 2018/19 Procurement Annual report, the Council is also required to provide a summary of spend and savings as contained in the table below:

| | |
|---|---------------------|
| a) Total procurement spend for the period covered by the annual procurement report. | £115,819,705 |
| b) Total procurement spend for the period on SMEs during the period covered by the annual procurement report. | £64,724,839 |
| c) Total procurement spend with third sector bodies during the period covered by the report. | Info not available. |
| d) Percentage of total procurement spend through collaborative contracts | 9.40% |
| e) Total targeted cash savings for the period covered by the annual procurement report | £0 |
| f) Total delivered cash savings for the period covered by the annual procurement report | £0 |
| g) Total non-cash savings for the period covered by the annual procurement report | £0 |

9. Future Regulated Procurements Summary

Section 18(2)(f) of the Procurement Reform (Scotland) Act 2014 states it is mandatory that an annual procurement report must include “a summary of the regulated procurements the authority expects to commence in the next two financial years.” Future regulated procurements have been identified via the following means:

- Current contracts on the council register that will expire and need to be extended or re-let over the next two years.
- New procurements identified via future work plans provided by Council service teams.
- New procurements identified via anticipated work plans for special projects (e.g. The Glasgow City Region City Deal).

A full list of anticipated procurements in the next two years can be seen in Appendix 4.

Appendix 1 – Full List of Regulated Procurements (April 2019 - March 2020)

Table 1 - Awards of New Council Frameworks and Contracts

| Date of Award | The Names of Suppliers | Subject Matter (Commodity) | Title of Contract | Contract Value | Contract start date | Contract End date including extensions | SME YES/NO | 3 rd Sector YES/NO |
|---------------|-------------------------------|----------------------------|--|----------------|---------------------|--|------------|-------------------------------|
| 30/01/2020 | CBC Glasgow Ltd | Construction | Greenock Ocean Terminal & Wylie Gallery CP0329 | £6,208,908 | 30/03/2020 | 22/03/2021 | Yes | No |
| 31/05/2019 | Enva Organics Recycling Ltd | Waste | Organic Waste ENV0325 | £411,000 | 01/07/2019 | 30/06/2021 | Yes | No |
| 16/09/2019 | Business Development Advisers | Business Development | Business Gateway Services in Inverclyde | £179,413 | 15/09/2019 | 14/09/2021 | Yes | No |
| 18/12/2019 | Barr Environmental Ltd | Waste | Treatment & Disposal of Street Sweepings & Gully Waste | £134,400 | 01/01/2020 | 31/01/2023 | Yes | No |
| 03/02/2020 | Land Energy Girvan Ltd | Fuel | Supply & Delivery of Wood Pellets for the Biomass Heating System at PGCC | £99,750 | 27/01/2020 | 26/01/2023 | Yes | No |
| 07/08/2019 | Link Treasury Services Ltd | Finance | Treasury Consultancy Services | £97,500 | 09/08/2019 | 08/08/2025 | Yes | No |
| 19/07/2019 | CFH Total Document Management | Print Services | Provision of Printing, Binding, Enveloping & Mailing Service | £80,000 | 01/09/2019 | 31/08/2021 | Yes | No |

| | | | | | | | | |
|------------|--------------------------------|-------------|--|---------|------------|------------|-----|----|
| 09/01/2020 | Inverclyde Physiotherapy | | Provision of an Occupational Health Service | £78,000 | 01/02/2020 | 31/01/2024 | Yes | No |
| 18/06/2019 | Rose Project Management Ltd | Consultancy | Project Management – Greenock Cremator Replacement & Associated Works | £77,315 | 18/06/2019 | 01/11/2023 | Yes | No |
| 13/12/2019 | AVM Impact | ICT | Supply, Delivery & Installation of Touchscreens, Stands & Commercial TVs | £70,000 | 20/09/2019 | 12/02/2020 | No | No |
| 03/12/2019 | Langstane Press Ltd | Furniture | Full Educational Furniture Kit Out for St Marys and Gourock PS | £70,000 | 03/12/2019 | 24/01/2021 | Yes | No |
| 26/08/2019 | Lowmac Alloys | Waste | Treatment & Disposal of Recyclable & Residual Waste | £60,000 | 01/09/2019 | 31/08/2023 | Yes | No |

Table 2 – Orders on Frameworks amounting to more than £50,000 spend in 2019/20.

| Framework Owner | Framework Name | Framework Start | 2019/20 Spend |
|-----------------|--|-----------------|---------------|
| Scotland Excel | Children's Residential Care | 01/05/2018 | £2,131,689 |
| Scotland Excel | Vehicle Purchase RM6060 | 02/12/2018 | £1,098,087 |
| Scotland Excel | Roadstone | 01/07/2018 | £1,019,515 |
| Scotland Excel | Groceries & Provisions | 01/05/2016 | £432,859 |
| Scotland Excel | Frozen Foods | 01/07/2017 | £369,474 |
| Scotland Excel | Vehicle & Plant Hire | 01/11/2017 | £331,166 |
| Scotland Excel | Care Homes for Adults (LD) | 29/06/2015 | £297,131 |
| Scotland Excel | Meats - Fresh, Prepared & Cooked (inc. Fresh | 01/01/2018 | £178,680 |
| Scotland Excel | Janitorial Products | 01/03/2015 | £164,401 |
| Scotland Excel | Fostering | 25/03/2017 | £157,298 |
| Scotland Excel | Electrical Materials | 01/04/2016 | £138,765 |
| Scotland Excel | Education Materials | 01/08/2017 | £129,010 |
| Scotland Excel | Recycle and Refuse Containers | 01/11/2013 | £115,872 |
| Scotland Excel | Salt | 01/07/2014 | £113,715 |

| | | | |
|----------------|--|------------|----------|
| Scotland Excel | Organic Waste | 01/08/2017 | £109,767 |
| Scotland Excel | Presentation & Audio Visual Equipment | 01/04/2015 | £106,738 |
| Scotland Excel | Engineering Consultancy | 18/03/2017 | £103,048 |
| Scotland Excel | Library Books & Text Books | 01/02.2018 | £102,005 |
| Scotland Excel | Outdoor Play Equipment & Artificial Surfaces | 13/03/2017 | £98,098 |
| Scotland Excel | Personal Protective Equipment | 01/03/2017 | £95,161 |
| Scotland Excel | Street Lighting Materials | 01/10/2018 | £94,396 |
| Scotland Excel | Social Care Agency Workers | 01/08/2018 | £89,771 |
| Scotland Excel | Heavy Vehicles | 01/01/2018 | £89,668 |
| Scotland Excel | Milk | 01/03/2014 | £78,950 |
| Scotland Excel | Security | 01/04/2015 | £74,610 |
| Scotland Excel | Tyres for Vehicles & Plant | 01/11/2017 | £67,113 |
| Scotland Excel | Washroom Solutions & Sanitary Products | 01/10/2018 | £61,954 |
| Scotland Excel | Education And Office Furniture | 01/03/2017 | £58,645 |
| Scotland Excel | Care Homes for Adult LD inc Autism | 11/10/2019 | £58,500 |
| Scotland Excel | Technology Enabled Care | 01/01/2019 | £55,695 |
| Scotland Excel | First Aid Materials | 01/10/2018 | £55,456 |

| | | | |
|----------------------------------|---|------------|--------------------|
| Scotland Excel | Vehicle Parts | 13/01/2017 | £53,375 |
| Sub-Total (Scotland Excel) | | | £8,130,612 |
| Procurement Scotland | Electricity | 01/04/2019 | £1,571,630 |
| Procurement Scotland | Gas | 01/04/2014 | £785,820 |
| Procurement Scotland | Water and Waste Water | 01/03/2016 | £508,127 |
| Procurement Scotland | Fuel | 14/10/2015 | £398,335 |
| Procurement Scotland | Desk Top Client Devices | 01/01/2016 | £301,033 |
| Procurement Scotland | Mobile Client Devices | 16/11/2015 | £266,368 |
| Procurement Scotland | Office Equipment - Multifunctional Devices & Services | 03/06/2017 | £259,734 |
| Procurement Scotland | Stationery and Office Paper | 01/06/2016 | £161,994 |
| Procurement Scotland | Print & Associated Services | 01/04/2019 | £73,613 |
| Sub-Total (Procurement Scotland) | | | £4,326,654 |
| TOTAL | | | £12,457,266 |

*Note collaborative spend via Scotland Excel lower as a result of delayed reporting of Management Information from Framework Suppliers due to pandemic.

Appendix 2 – Requirements of the Act

Procurement Reform (Scotland) Act 2014 asp 12 Part 2 General duties Section 8 8

General duties

- (1) A contracting authority must, in carrying out a regulated procurement— (a) treat relevant economic operators equally and without discrimination, (b) act in a transparent and proportionate manner.
- (2) A contracting authority must also comply with the sustainable procurement duty.
- (3) However, a contracting authority must not do anything in pursuance of subsection (2) that would conflict with its duty under subsection (1).
- (4) A relevant economic operator is an economic operator who is a national of, or is established in—
 - (a) a member State, or
 - (b) Iceland, Liechtenstein or Norway.
- (5) Subsection (1) does not apply in relation to an EU-regulated procurement.

9 Sustainable procurement duty

- (1) For the purposes of this Act, the sustainable procurement duty is the duty of a contracting authority—
 - (a) before carrying out a regulated procurement, to consider how in conducting the procurement process it can—
 - (i) improve the economic, social, and environmental wellbeing of the authority's area,
 - (ii) facilitate the involvement of small and medium enterprises, third sector bodies and supported businesses in the process, and
 - (iii) promote innovation, and
 - (b) in carrying out the procurement, to act with a view to securing such improvements identified as a result of paragraph (a)(i).
- (2) The contracting authority must consider under subsection (1) only matters that are relevant to what is proposed to be procured and, in doing so, consider the extent to which it is proportionate in all the circumstances to take those matters into account.
- (3) In this section—
 - “small and medium enterprises” means businesses with not more than 250 employees,
 - “third sector bodies” means organisations (other than bodies established under an enactment) that exist wholly or mainly to provide benefits for society or the environment.

(4) In this section, references to the wellbeing of the authority's area include, in particular, reducing inequality in the area.

Procurement Reform (Scotland) Act 2014 asp 12 Part 2 Procurement strategy and annual report Section 15

15 Procurement strategy

(1) A contracting authority which expects to have significant procurement expenditure in the next financial year must, before the start of that year—

(a) prepare a procurement strategy setting out how the authority intends to carry out regulated procurements, or

(b) review its procurement strategy for the current financial year and make such revisions to it as the authority considers appropriate.

(2) Subsection (3) applies where a contracting authority—

(a) has not, in relation to a financial year, prepared or reviewed a strategy under subsection (1), and

(b) becomes aware of the likelihood of having significant procurement expenditure during that year.

(3) The contracting authority must, as soon as practicable after it becomes aware of the likelihood of having significant procurement expenditure—

(a) prepare a procurement strategy setting out how the authority intends to carry out regulated procurements, or

(b) review its most recent procurement strategy and make such revisions to it as the authority considers appropriate.

(4) An authority has significant procurement expenditure in a year if the sum of the estimated values of the contracts to which its regulated procurements in that year relate is equal to or greater than £5,000,000.

(5) The procurement strategy must, in particular—

(a) set out how the authority intends to ensure that its regulated procurements will

(i) contribute to the carrying out of its functions and the achievement of its purposes,

(ii) deliver value for money, and

(iii) be carried out in compliance with its duties under section 8, (b) include a statement of the authority's general policy on—

(i) the use of community benefit requirements,

(ii) consulting and engaging with those affected by its procurements,

- (iii) the payment of a living wage to persons involved in producing, providing or constructing the subject matter of regulated procurements,
 - (iv) promoting compliance by contractors and sub-contractors with the Health and Safety at Work etc. Act 1974 (c.37) and any provision made under that Act, and
 - (v) the procurement of fairly and ethically traded goods and services,
- (c) include a statement of the authority's general policy on how it intends its approach to regulated procurements involving the provision of food to—
- (i) improve the health, wellbeing and education of communities in the authority's area, and
 - (ii) promote the highest standards of animal welfare,
- (d) set out how the authority intends to ensure that, so far as reasonably practicable, the following payments are made no later than 30 days after the invoice (or similar claim) relating to the payment is presented—
- (i) payments due by the authority to a contractor,
 - (ii) payments due by a contractor to a sub-contractor,
 - (iii) payments due by a sub-contractor to a sub-contractor,
- (e) address such other matters as the Scottish Ministers may by order specify.

(6) The Scottish Ministers may by order modify subsection (4) so as to substitute for the figure specified there for the time being such other figure as they consider appropriate.

(7) In subsection (5)(b)(iii), a “living wage” means remuneration which is sufficient to ensure an acceptable standard of living.

Appendix 3 – Community Benefit Outcomes

| Type of Community Benefit / Outcome | Number Delivered |
|---|------------------|
| Employment & Skills Activity | |
| New Entrant - Modern Apprentice (Painter & Decorators - St Mary's PS Project) | 2 |
| New Entrant – Job (Labourer – St Mary's PS Project) | 1 |
| Support Education Activities | |
| Site Safety Poster Design Competition (St Mary's PS) | 1 |
| Construction information session (Gourock PS) | 1 |

Appendix 4 – Future Regulated Procurements (From April 2020 to March 2022)

| Subject Matter (Commodity) | Title of Contract | Contract Start Date | Estimated Total Contract Value | Type |
|----------------------------|--|---------------------|--------------------------------|---------|
| Software | SWIFT Replacement | 01/07/2021 | £1,600,000 | Ongoing |
| Construction | Inverkip (City Deal) | 01/10/2021 | £3,250,000 | One off |
| Construction | Rainbow Family Centre Extension | 14/09/2020 | £2,300,000 | One off |
| Construction | Larkfield Early Learning Centre | 19/10/2020 | £3,000,000 | One off |
| Construction | Ocean Terminal Building (City Deal) Retender PRO0833 | 19/04/2021 | £7,200,000 | One off |
| Construction | Community Learning Disability Hub | 01/02/2022 | £6,700,000 | One off |
| Security | Cash Collection | 10/8/2021 | £53,000 | Ongoing |
| Security | Parking Management System | 15/10/2021 | £100,000 | Ongoing |
| Adult Social Care | National Care Home Contract | 01/04/2021 | £14,000,000 | Ongoing |
| Adult Social Care | Supported Living Services | 06/02/2022 | £7,000,000 | Ongoing |
| Adult Social Care | Care at Home | 01/04/2022 | £10,000,000 | Ongoing |
| Employability | Employability Services | 01/4/2022 | £4,100,000 | Ongoing |
| Social Care | Housing Information and Advice | 10/12/2021 | £165,000 | Ongoing |
| Social Care | Independent Advocacy Service | 31/03/2021 | £216,000 | Ongoing |
| Social Care | Provision of a School Age Counselling Service | 01/08/20 | £1,198,000 | Ongoing |
| Social Care | Provision of a Family Support Worker Service | 01/10/20 | £900,000 | Ongoing |
| Social Care | Provision of a Community Connector Service | 01/04/21 | £255,000 | Ongoing |
| Social Care | Independent Advocacy Services for Children & Young People | 01/04/21 | £255,000 | Ongoing |

| | | | | |
|----------------------|---|------------|-------------|---------|
| Property | Lift Maintenance | 31/05/2021 | £75,000 | Ongoing |
| Business Development | Business Gateway | 15/09/2021 | £220,000 | Ongoing |
| Waste | Residual Waste | 17/08/2021 | £15,000,000 | Ongoing |
| Waste | Scrap Metal | 30/08/2021 | £200,000 | Ongoing |
| Waste | Food Waste | 30/06/2021 | £200,000 | Ongoing |
| Finance | Printing, Binding, Enveloping & Mailing Service | 01/09/2021 | £240,000 | Ongoing |

Appendix 5 - Purchase Card Spends Equating to more than £25,000 for 2019/20

| SUPPLIER | SPEND |
|-------------------------|-----------------|
| MCCONECHY TYRES | £122,673 |
| ELECTRIC CENTER | £102,480 |
| AMAZON | £76,279 |
| TESCO | £64,805 |
| ARNOLD CLARK VAN CENTRE | £61,112 |
| GRAHAM | £56,008 |
| DVLA VEHICLE TAX | £39,835 |
| SHB HIRE LTD | £30,231 |
| HOWDENS GREENOCK | £27,576 |
| CURRYS T/SALES | £26,244 |
| TOTAL | £607,243 |