

Agenda Item	6
Report No	RES/29/22

THE HIGHLAND COUNCIL

Committee: Corporate Resources Committee

Date: 1 December 2022

Report Title: Annual Procurement Report 2021/22

Report By: Head of Corporate Finance

1. Purpose/Executive Summary

- 1.1 Section 18 of the Procurement Reform (Scotland) Act 2014 requires every Scottish Local Authority to publish an annual procurement report on its regulated procurement activities. Regulated procurements are any procurement of goods and services with a value above £50,000 and works contracts with a value above £2 million. The Annual Procurement Report 2021-2022 has been produced in accordance with guidance from Scottish Government and is attached at Appendix 1. The report covers all regulated procurements completed during the financial year 2021-2022; and anticipated future procurements covering the next two years (2022-2024).
- 1.2 This report is presented to the Corporate Resources Committee for the purposes of providing an update on procurement performance for 2021-2022 and to seek approval to publish the annual procurement report on the Highland Council website, to ensure that the Council is compliant in terms of Section 18 of the Procurement Reform (Scotland) Act 2014.

2. Recommendations

- 2.1 Members are asked to:
- i. Approve the content and publication of the Highland Council Annual Procurement Report 2021-2022 (Appendix 1)

3. Implications

3.1 Resource

There are no specific resources implications associated with the report.

3.2 Legal

The production of the report ensures that the Council meets its duties under the Procurement Reform (Scotland) Act 2014, and the report outlines how the Council intends to improve compliance with the Procurement Reform (Scotland) Act 2014.

3.3 Community (Equality, Poverty, Rural and Island)

The report highlights the positive impacts delivered through the inclusion of Community Benefits and Social Value clauses within procurement activity in previous years and provides details of those secured within the financial year covered in the report.

3.4 Climate Change / Carbon Clever

Environmental commitments will be included in procurement activity within financial year 2022-2023 and templates have been updated to include evaluation criteria to support this, going forward updated procurement policy, strategy, guidance and training will further support this aim. Procurement is included in one of the thematic Groups in the Council's Net Zero Strategy.

3.5 Risk

Annual reporting to Scottish Government as required by Procurement Legislation aids mitigation against strategic risk through transparency and scrutiny on outcomes delivered by Procurement Activity.

3.6 Gaelic

There are no Gaelic implications arising from this report.

4. Annual Procurement Report Purpose

4.1 Section 19 of the Procurement Reform (Scotland) Act 2014 requires every Scottish Local Authority to publish its procurement strategy and notify the Scottish Government of its publication. The Scottish Government must also prepare an annual report on procurement activity in Scotland which is based upon all the published annual procurement reports across Scotland.

4.2 The Council's procurement function is shared with Aberdeen City and Aberdeenshire Council. The procurement strategy sets out how the authority will ensure that its procurement activity delivers value for money and contributes to the achievement of the authority's broader aims and objectives, in line with Scotland's National Outcomes. The Strategy was published in 2017 and covers the period 2017 – 2022, work is ongoing to refresh the strategy and this will be presented to full Council in due course for approval.

The high-level strategic priorities of the Joint Procurement Strategy focus on key themes of Efficiency, Governance, and Improvement to underpin all procurement activity: -

- Support the delivery of financial and non-financial efficiencies;
- Deliver value and innovation;
- Support the local economy;
- Increased collaboration and standardisation.

5. Annual Procurement Report Highlights

5.1 The Annual Procurement Report includes the following Sections: -

Section	Title	Content
Introduction	Introduction	Provides details of Strategic Aims and Structure of Procurement to meet these along with high level expenditure details in the reporting period.
1	Summary of Regulated Procurements	Regulated procurements that have been completed in the reporting period.
2	Review of Regulated Procurement Compliance	Information on how regulated procurements have complied with the key objectives of the Joint Procurement Strategy.
3	Community Benefits Summary	Community benefit requirements imposed as part of a regulated procurement.
4	Supported Businesses Summary	Steps taken to facilitate the involvement of supported businesses in regulated procurements.
5	Future Regulated Procurement Summary	Regulated procurement the authority expects to commence in the next two financial years.

5.2 The procurement activity carried out within financial year 2021-2022 supported delivery of key strategic objectives for the Highland Council and supported the Council in carrying out its functions. The report also highlights the improvement actions implemented in financial year 2021-2022, planned improvements for financial year 2022-2023 and provides analysis of the Community Benefits/Social Value delivered from contracts awarded in previous years and secured for future delivery from procurements concluded in 2021-2022.

5.3 The Procurement Reform (Scotland) Act 2014 requires local authorities to comply with the sustainable procurement duty in all regulated contracts. Regulated contracts are those with a total ("whole of life" ex VAT) value of £50,000 in terms of goods and services and £2M in the case of works. The Annual Report is primarily concerned with regulated procurements. Policies and procedures relating to procurement activity have a strong emphasis on the Public Sector Equality Duty, Fair Work Practices including Real Living Wage and a wide range of other socio-economic considerations designed to alleviate various forms of poverty and disadvantage under the Fairer Scotland Duty. The Highland Council is committed to securing meaningful environmental, social, and economic value in procurements and to working with all sectors of the business community in order to achieve increased prosperity.

5.4 Financial efficiencies of £757,000 (Revenue) were achieved during the period 01 April 2021 to 31 March 2022 against a target figure of £742,000. A target figure of £740,000 has been set for Procurement Efficiencies in financial year 2022-2023.

6. Strategic Alignment

- 6.1 The annual procurement report highlights the procurement activity for financial year 2021-2022 in support of delivery of key strategic objectives for Highland Council.

Designation: Head of Corporate Finance

Date: 09 October 2022

Author: Melanie Mackenzie, Strategic Commercial Manager, Commercial and Procurement Shared Service



HIGHLAND COUNCIL
ANNUAL PROCUREMENT REPORT
01 APRIL 2021 – 31 MARCH 2022

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Introduction

This is the Highland Council's Annual Procurement Report; the report covers the Council's procurement activity from 1 April 2021 to 31 March 2022. The report includes anticipated future procurement activity over the next two financial years - 2022 to 2024. The annual report records and publicises the Council's performance and achievements in delivering its procurement strategy. This report has been produced in accordance with the guidance issued by the Scottish Government.

The Highland Council is part of the Commercial & Procurement Shared Services (C&PSS), a shared service agreement with Aberdeen City Council and Aberdeenshire Council. A joint Procurement Strategy 2017-2022 was published in November 2017, as required by the Procurement Reform (Scotland) Act 2014.

The high-level strategic priorities of the joint procurement strategy and key themes of **Efficiency**, **Governance** and **Improvement** continue to underpin all procurement activity.

- **Support the delivery of financial savings and non-financial efficiencies** through leverage of a combined contract portfolio;
- **Deliver value and innovation** by effective use of category and commercial management techniques and utilisation of spend analytic tools to enable smarter decision-making; identify collaborative opportunities and provide sector-specific market intelligence to inform decision making;
- **Support the local economy** by representing the North and East region at national framework user intelligence groups to ensure the needs of the communities are considered; maximises opportunities for the local supply chain, SMEs and third sector organisations
- **Increased collaboration and standardisation** without compromising governance/legislative compliance, the approach allows increased focus on:
 - Savings capture;
 - Market management;
 - Effective negotiation;
 - Exploration of new business models/opportunities; and
 - Social value
 -

The Commercial & Procurement Shared Service offers a range of strategic services with a dedicated team providing these services to the partners to the Shared Service agreement, which includes:

Category & Commercial Management Team

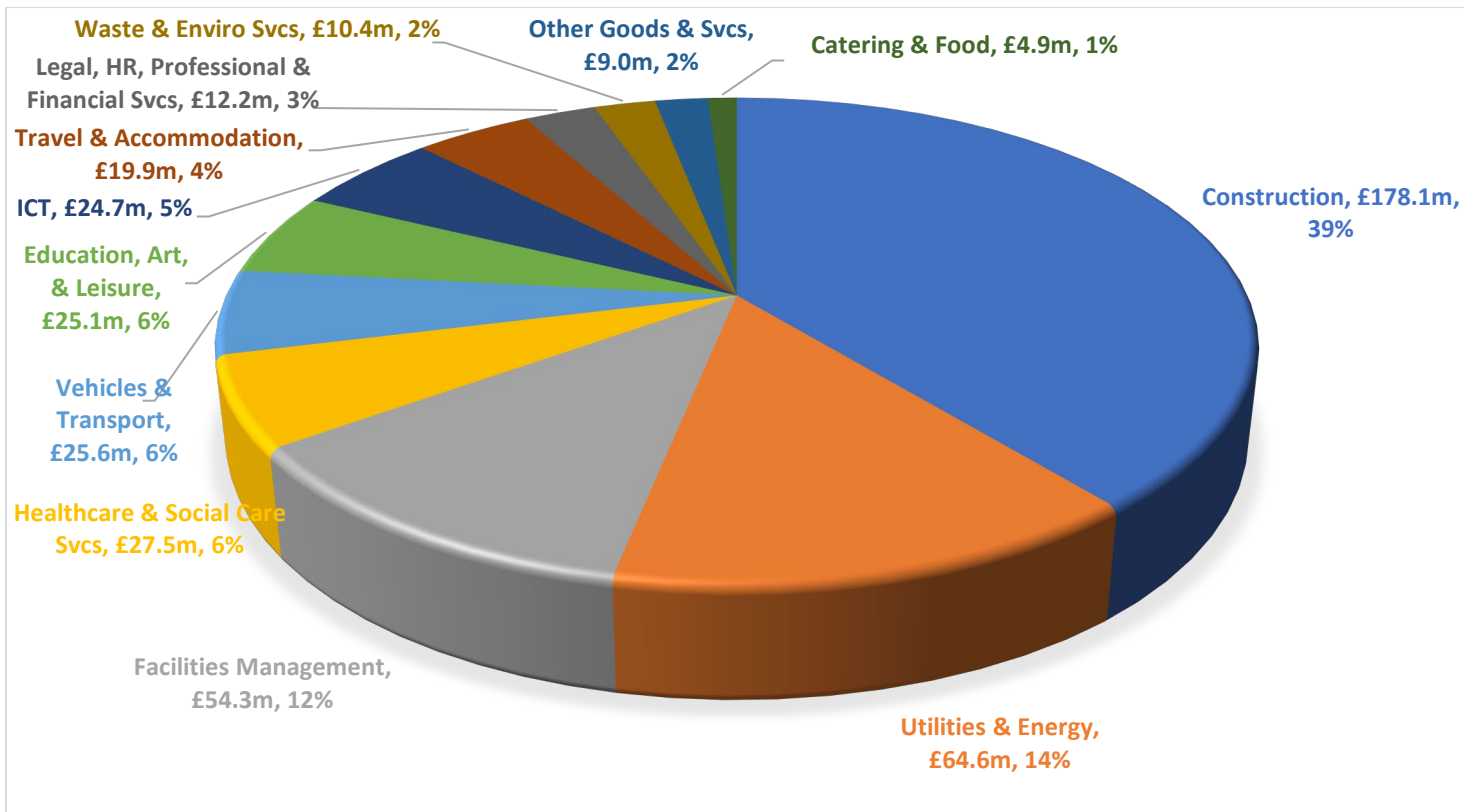
Category & Commercial Management Team covering Strategic Category Management supported by Category Managers and Senior Procurement Specialists, a dedicated data team offering cross functional high-quality data analysis, commercial team covering revenue opportunities and Community Benefits and Sustainable Procurement guidance & support.

The primary role of the Category & Commercial Management Team is to enable the partner councils to achieve their strategic objectives through the delivery of goods, works and services procured externally and to deliver improved value/increased revenue opportunity.

The strategic services provided by the team are:

- Data management, performance, analytics and insight.
- Procurement strategy, legislation, policy and advice.
- Category Management (for all strategic categories of spend).
- Review of regulated procurement compliance/continuous Improvement activity
- Commercial Management – covering revenue opportunities

The below graphic shows the annual expenditure by spend category (**expenditure across all budgets excluding staffing**) total spend in financial year 2021/22 of **£456,221,957**.



*A breakdown of the categories included in Other Goods & Services can be found below:

Category	Spend	Category	Spend
Community Development	£1,026,832	Retail & Wholesale	£388,532
Economic Development	£155,049	Marketing & Media	£629,170
Not Classified	£658,637	Charitable & Religious Activity	£101,291
Purchasing Services	£337,707	Laboratory	£77,858
Stationery & Office Products	£342,121	Clothing	£54,091
Manufacturing & Machinery	£742,170	Personal Care	£403
Animals & Farming	£400,079	Public Sector Bodies	£4,086,062

The data is obtained from Spikes Cavell (Scottish Procurement Hub for publication of annual procurement related spend) and is based on the VCode Classification system, which classifies suppliers by their business activities and is specifically designed to allow public sector organisations a more accurate method of classification of suppliers.

Strategic Procurement Board

The Shared Service is overseen by the Strategic Procurement Board, the board is comprised of Senior Leaders from across the three Councils and has responsibility for:

- Oversight of the delivery of the services to the partners to the joint arrangement.
- Review the performance of the service using Key Indicators (such as the following) and providing scrutiny and challenge, where appropriate:
 - Local Supplier Spend;
 - Collaborative Spend;
 - Community Benefits;
 - % of spend on and off contract;
 - Savings flowing from the joint arrangements.
- Oversight of a programme of digitisation of procurement processes
- Providing oversight of the roll out of a procurement capability programme across the shared arrangement.

Capital Projects/Property Maintenance Contracts

The procurement of Capital Projects/Property Maintenance Contracts has been devolved to Infrastructure and Environment and Property & Housing within the Highland Council, the procurement for these projects follows the strategy/guidance as contained within the Contract Standing Orders/Procurement Manual for the Highland Council as developed by the Commercial & Procurement Shared Service with reference to relevant legislation/Scottish Government guidance.

Infrastructure, Environment and Economy

Is responsible for the design and construction of a diverse range of capital funded infrastructure such as roads, bridges, culverts and retaining walls; cycleways and footpaths; streetscaping, rock slope stabilisation, flood alleviation works; piers and harbours, coast protection; burial grounds; landfill sites and recycling facilities.

Housing and Property

Is responsible for the management and delivery of construction programmes and projects within the Council's Capital Programme. It includes a diverse range of projects including the Castle refurbishment, Commando Memorial improvement works, development of tourist facilities at Achmelvich beach and the Old Man of Storr site, a waste transfer station and a ferry terminal building, all alongside school extensions and improvements, new school builds, new housing and improvements to Council housing stock.

In the year April 21 to March 22, 73 contracts were awarded by Housing and Property to the value of £85.5M, £35M of which were awarded through frameworks, both internal and external. Awards of contracts were across thirty-two different contractors.

Covid Impact

The COVID-19 pandemic has continued to have an impact on the Council's supply chain, as have the ongoing impacts of Brexit and more recently the impact of the invasion of the Ukraine. The effects on the global economy and financial markets have made for another challenging year for the Council and its supply chain.

The Commercial & Procurement Shared Service, Infrastructure, Environment and Economy and Housing and Property teams have worked collaboratively with Services and Suppliers throughout the reporting period, identifying ways to address challenges as they have arisen, ensuring that vital frontline services and projects to support Council priorities could continue to be delivered whilst looking to maintain sustainability for our supply chain and suppliers within.

Section 1 – Summary of Regulated Procurements

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 procurements are any procurement for goods and services with a value above £50,000 and works contracts with a value of above £2 million. A summary of the regulated procurements awarded within financial year 01 April 2021 to 31 March 2022 is provided in the graphics below.

A summary of all un-regulated procurements awarded within financial year 01 April 2021 to 31 March 2022 is also provided within the graphics below.

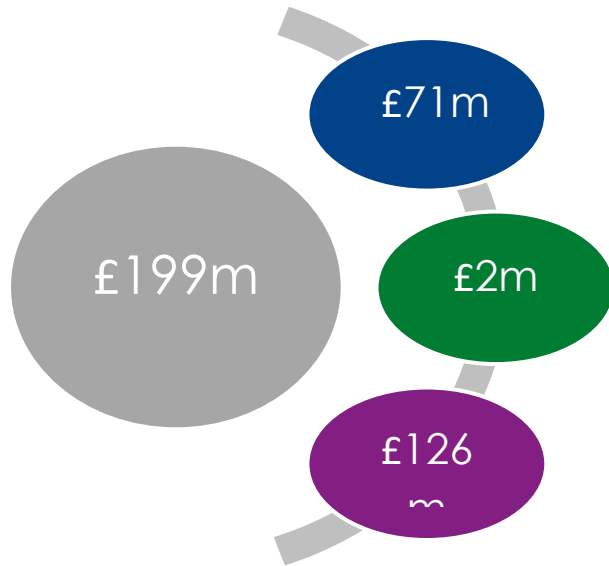
The information contained in the infographics below includes the award of mini-competitions or call-offs from established frameworks. The Council use several national framework providers including Scotland Excel and Scottish Government.

The Council maintains and publishes a contract register of contracts awarded on its website. The contract register can be used to identify future opportunities.

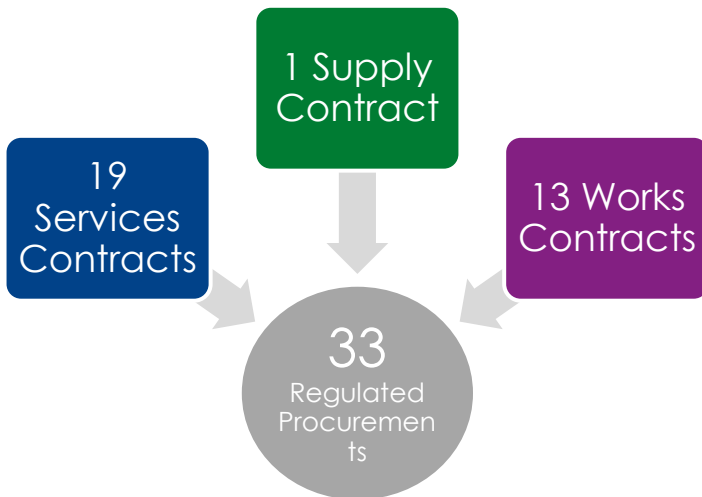
A detailed list of awarded regulated procurements for the reporting period can be found in Appendix 1 – Details of Regulated Procurements.

Period 01 April 2021 – 31 March 2022

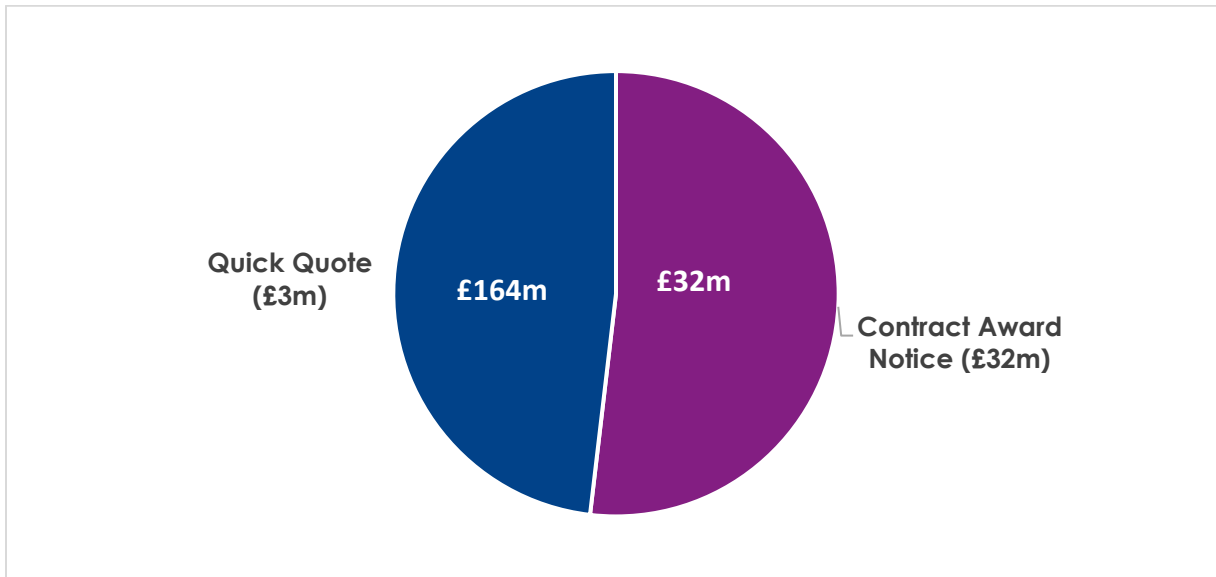
Value of Regulated Procurements Awarded by Category



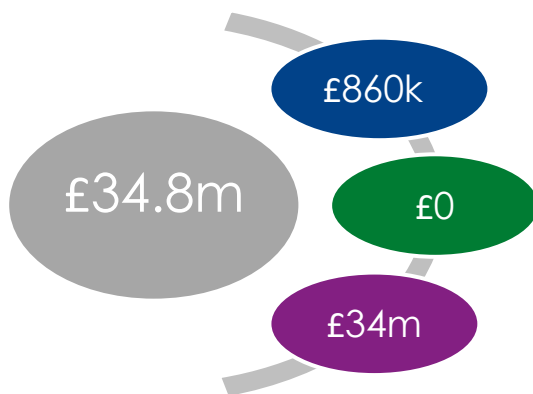
Number of Regulated Procurements Awarded by Category



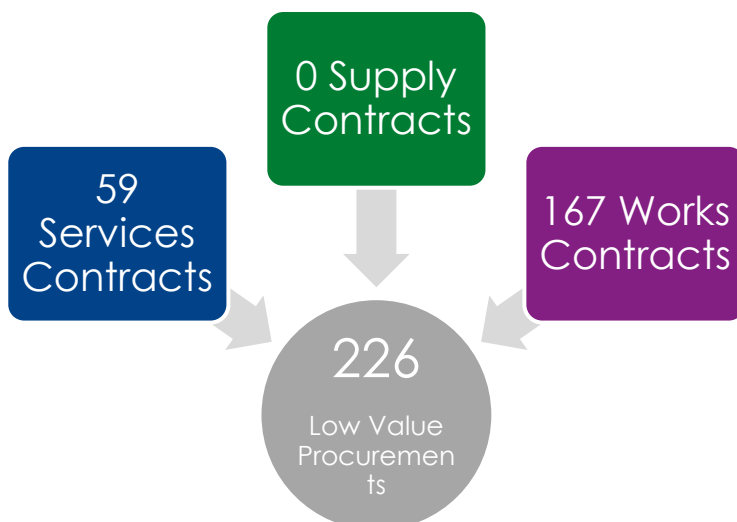
Value of Procurements Awarded by Notice Type



Value of Non-Regulated Procurements Awarded by Category



Number of Non-Regulated Procurements Awarded by Category



External Framework Use (Scotland Excel Membership) 01 April 2021 – 31 March 2022

Management information from Scotland Excel at the end of Q4 21-22 shows that The Highland Council participated in fifty out of sixty-seven (75%) of the available framework agreements.

Local suppliers available for use across these frameworks on 31st March 2022 was seventeen suppliers local to Highland across fifteen framework agreements. Total spend with these local suppliers under the frameworks was £1,129,200 in the reporting period.

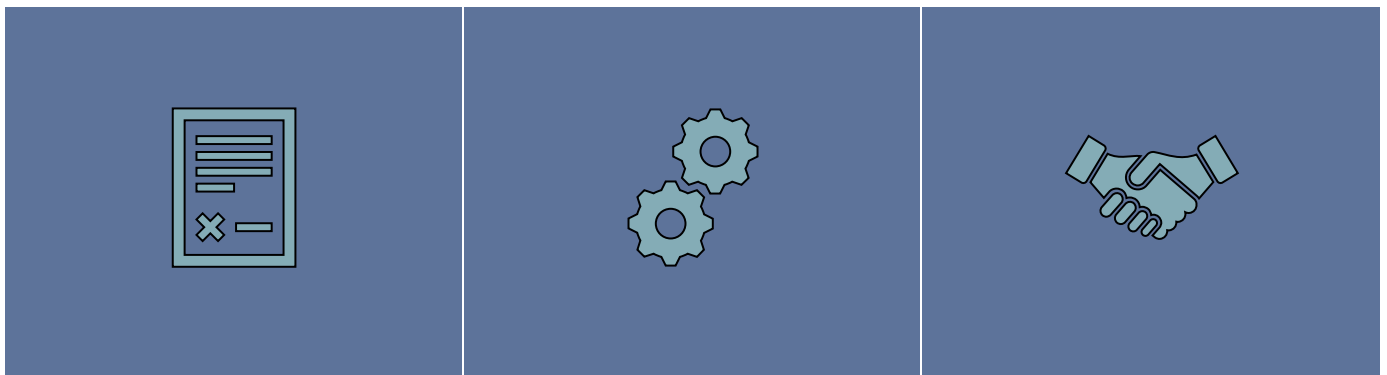
Section 2 – Review of Regulated Procurement Compliance

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 Strategy includes high level strategic priorities, which focus on key themes of Efficiency, Governance and Improvement which underpins all procurement activity: -

- Support the delivery of financial and non-financial efficiencies.
- Deliver value and innovation.
- Support the local economy.
- Increased collaboration and standardisation.
- Support the delivery of financial and non-financial efficiencies.

C&PSS collaborated with Council Services and suppliers to deliver cashable and non-cashable savings for the Council through delivery of new contracts, reduction of supply base; consolidation of spend; and product rationalisation.



Financial efficiencies

Financial efficiencies of £757,000 (Revenue) were achieved during the period 01 April 2021 to 31 March 2022 against a target figure (including carry forward) of £742,000.

Non-financial efficiencies

The Report covers this within Section 3 – Community Benefit Summary.

Value & Innovation through increased collaboration and standardisation

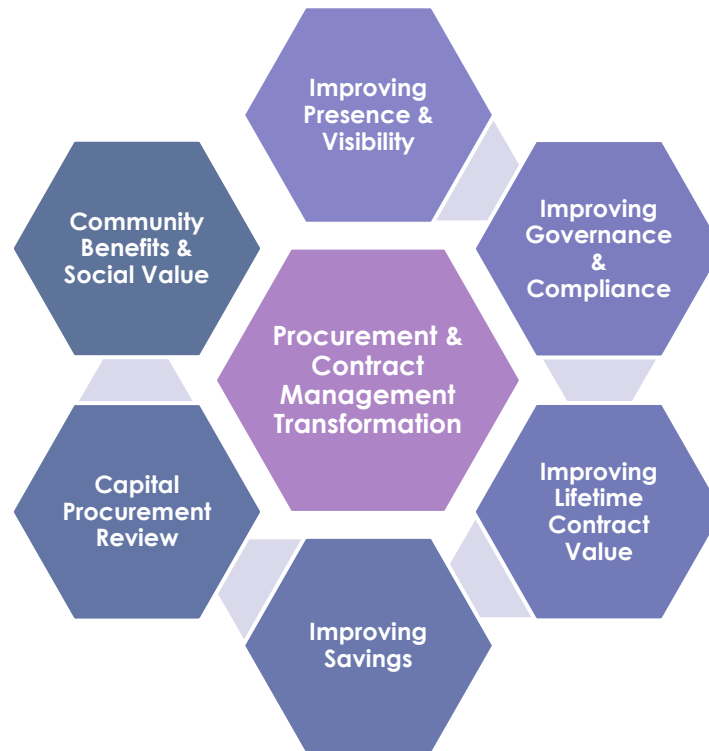
C&PSS enables a greater level of collaboration and standardisation across the three partner councils in the following areas: -

- Identification of collaborative procurement opportunities to generate best value, Collaborative Intelligence Groups have been established across key commodity areas i.e., Fleet, Waste, Professional Services (groups include representatives across partner Councils and Commercial & Procurement Shared Service).
- Identification of consolidation and aggregation of spend opportunities to generate best value.
- Identification of product rationalisation and alternatives to generate best value.
- Sharing of best practice and processes to identify standardisation, consistency, efficiency and effectiveness.
- Identification of commercial opportunities (including income generation).
- Maximising the benefits of digital technology for example purchase to pay processes, electronic tendering, e-auctions and dynamic purchasing systems.

Review of regulated procurement compliance/Continuous Improvement

The Highland Council and the Commercial and Procurement Shared Service agree that regular review of procurement performance and compliance is integral to the collaborative partnership and ensuring continuous improvement. Emerging findings from a high-level financial review completed in March 2021 identified a range of improvement opportunities, and a transformation project was agreed to be commenced in financial year 2021-2022 and included a review of operational and governance arrangements, prospects for greater savings and for the Highland Council to undertake a review of capital procurement. The project was split into themes and a number of elements for review improvement included within each.

The themes are as set out below:



The benefits realised through the project from improvement activity delivered in the period 01 April 2021 – 31 March 2022 will be subject to continual monitoring as the KPIs have now been implemented along with quarterly procurement compliance reporting. Key items implemented include:

- SharePoint page established within the Budget SharePoint for Procurement and Contract Management which is intended to offer all Services a one stop shop for processes and documents relating to approval of procurement through to award and management of contracts, including forward planning and compliance reporting.
- A Procurement Approval Group has been established chaired by the Head of Finance with the remit to approve all Procurement Approval Forms for revenue contracts with capital procurement being subject to approval by the Capital Board.
- A programme of training was developed for Contract Owners/Managers and is due to be completed by the end of Q3 2022-2023.
- Savings delivered in the project year exceeded target.

The benefits realised by the project will be reviewed 6 months from project end to review KPIs/compliance reports/feedback from Senior Leadership, Service Managers and Delegated Procurers to assess and agree if benefits are being sustained and if any further action/improvements are required.

Housing and Property Achievements

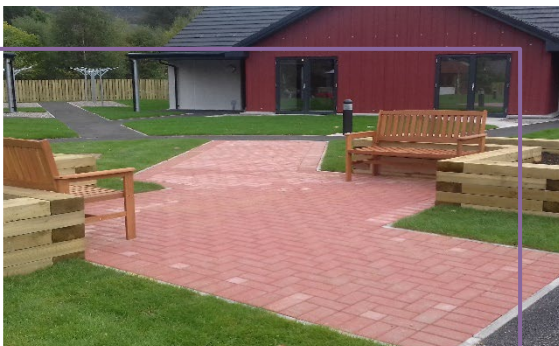
A significant achievement in the reporting period was the completion of the early years programme. THC received the 3rd highest allocation of funding which was to roll out additional nursery provision across 80+ settings. This included a range of projects from small scale works to £1M+ extensions and additional accommodation, range of completed units for additional accommodation shown below.



• Daviot Primary - Nusery Unit



• Hilton Primary School, Interior Nursery Unit



• Hilton Primary School, Exterior Nursery Unit



• Avoch Primary, Exterior Nursery Unit

Other milestones include the award of the Castle contract and works started on site in April 2022.



• Inverness Castle

A look ahead to objectives for delivery in financial year 2022-23:

- Development and implementation of a system to capture Community Benefits, Fair Work Practices, Sustainability and Climate data.
- A comprehensive review and revision will be completed of the Contract Standing Orders.
- A comprehensive review and revision will be completed of the Procurement Manual, including a revision of all associated templates.
- Comprehensive review of the Joint Procurement Strategy will be undertaken.
- A programme of events will be developed in conjunction with the Supplier Development Programme to facilitate involvement of the local supply chain.
- Supplier Relationship Management procedures will be implemented across the organisation, improving upon the current Contract Management procedures.
- The Commercial & Procurement Shared Service will launch a new website following completion of testing.

Support the local economy - Statutory Performance Indicators

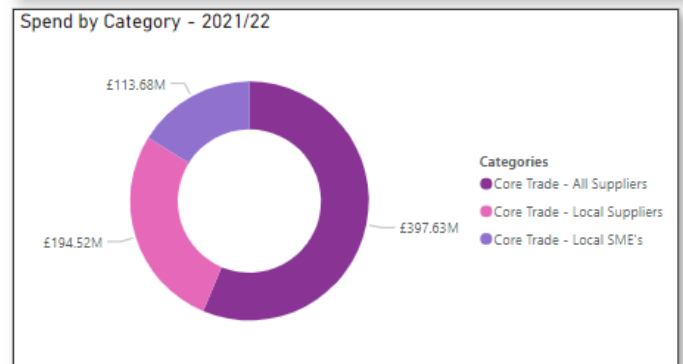
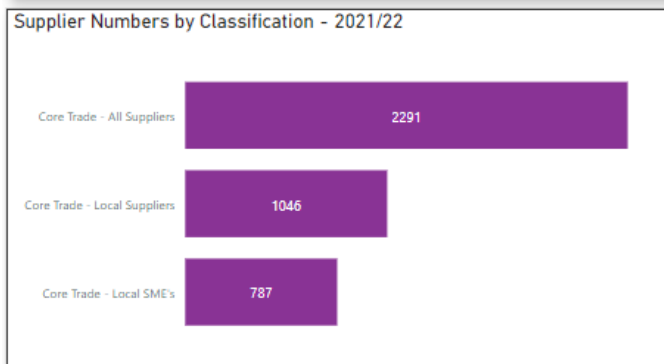
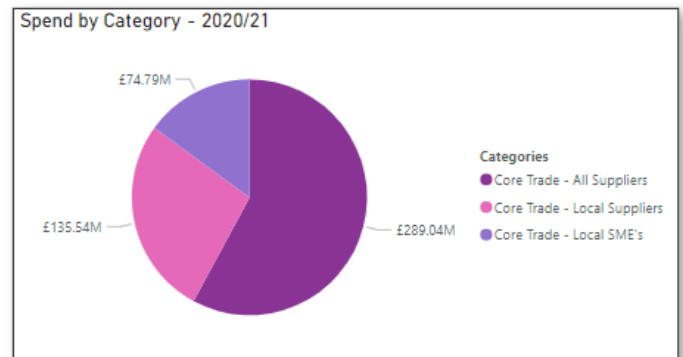
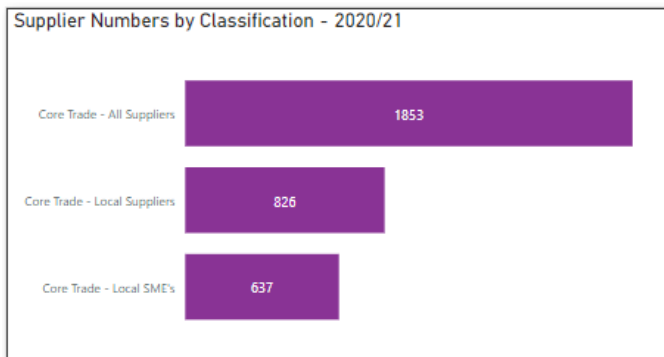
The Accounts Commission (the public spending watchdog for local government) has a statutory power to specify information that councils must publish about their performance. They do this through statutory performance indicators (SPIs). Each Council collects and publishes its information.

The remit for SPI reporting requirement was amended during 2018-19; with a request that all local authorities report on spend with Core Trade suppliers only. Core Trade being defined as: Suppliers with whom over £1000 has been spent in a 12-month period, which have also been classified as a health, social care, arts, political, religious or trading organisation.

Two SPIs relevant to the local economy and procurement related spend are - spend with local suppliers and local SMEs.

The data is obtained from Spikes Cavell (Scottish Procurement Hub for publication of annual procurement related spend) and is based on locality and size of business.

The below shows a comparison of core trade spend with local businesses and SMEs in financial year 2021-22 and 2020-21:



Categories	2020/21 (£)	2021/22 (£)	2020/21 (% of Total Spend)	2021/22 (% of Total Spend)
Core Trade - All Suppliers	£289,042,269	£397,634,795	100%	100%
Core Trade - Local Suppliers	£135,536,274	£194,520,284	47%	49%
Core Trade - Local SME's	£74,792,251	£113,676,063	26%	29%

SME definition as per Spikes is:

Legend	Details
Small	Less than 50 employees, regardless of turnover, or, if the number of employees is unknown, then turnover of less than £5.6m will be taken as an indicator that it is a small enterprise.
Medium	Between 50 and 249 employees, regardless of turnover, or, if the number of employees is unknown, then turnover of greater than or equal to £5.6m and less than £22.8m will be taken as an indicator that it is a medium enterprise.
Large	Greater than or equal to 250 employees, regardless of turnover, or, if the number of employees is unknown, then turnover of greater than or equal to £22.8m will be taken as an indicator that it is a large enterprise.

Spend in the annual report is based on spend by local authority area based on core trade creditors only; the Local authority areas as defined by the ONS (Office of National Statistics); Core-Trade: Suppliers with whom over £1000 has been spent in a 12 month period, that have also been classed as a trading organisation or as a non-trade social care provider.

Supplier Development

The Supplier Development Programme (SDP) was established in 2008, and is a partnership of Local Authorities, Scottish Government and other public bodies that works together to bring free support in all aspects of tendering to Scottish-based SMEs. The Highland Council has participated in or been supported in hosting the below events by the Supplier Development Programme in the period 01 April 2021 – 31 March 2022.

Talking Tenders with Aberdeenshire, Aberdeen City and Highland Councils (11 May 2021) - A specific event hosted by the Supplier Development programme allowing for suppliers both locally and across the country to engage with the three Councils. There were approx. eighty-five attendees on the day from companies across a range of Business Sectors.

Meet the Buyer (08 June 2021) – this event allowed suppliers to hear from Scotland's local authorities, government agencies and contractors about upcoming work in Scotland's public sector, as well as opportunities right across the UK's public sector, 2071 suppliers were booked on to participate across a range of business sectors.

Meet the Buyer North (07 September 2021) – this event allowed suppliers to hear from local authorities and public sector bodies in the North of Scotland. 1045 suppliers were booked on to participate across a range of Business Sectors.

The Highlands and Islands Networking Together (HINT) Group – established by the Supplier Development Programme and currently chaired by a member of the Commercial & Procurement Shared Service.

The Group was set up to continue the networking of public sector bodies in the Highlands and Islands membership includes several other public sector bodies in the Northeast of Scotland.

Its purpose is to discuss and facilitate the drive for best practice of procurement activity, share key documents and to improved visibility of contracts, key projects and opportunities for supplier engagement to aid economic recovery. Attendees share best practice, discuss new and existing Scottish Government policies and their impact upon local businesses in the Highlands and islands, give practical advice on creating procurement reports, and participate in discussion on procurement barriers and how to overcome them, as well as participate in general networking with the various public sector bodies in the region.

In addition to the above, a specific tender event was held to engage with the market in respect of the development of the Wick PSO contract, the event was well attended and received by the market.

Section 3 – Community Benefit Summary

Statutory Requirement

Section 18(2) (d) of the Procurement Reform (Scotland) Act 2014 requires annual procurement reports to contain: “a summary of any community benefit requirements imposed as part of a regulated procurement that were fulfilled during the year covered by the report”.

Interpretation

“**Imposed**” has been interpreted to mean community benefit requirements included within regulated procurements published in the reporting period. Reporting is intended to capture community benefit inclusion at all stages of incorporation, implementation and fulfilment.

The point at which community benefit requirements are “**fulfilled**” can be a matter of interpretation. Some community benefits outcomes can take a period of years to complete. “Fulfilled” has been interpreted to include community benefits “**underway**” and “**in process.**” Maximum flexibility is offered to suppliers as to when community benefit requirements commence and are ultimately “fulfilled” over the entire contract term. Suppliers are held to their total community benefit commitments (imposed and volunteered) over the life of the contract.

Reporting Period

In the reporting period, the approach to community benefits within procurement activity has been guided by the commitments and aspirations expressed in our Joint Procurement Strategy. Our “Mission Statement” commits to delivery of:

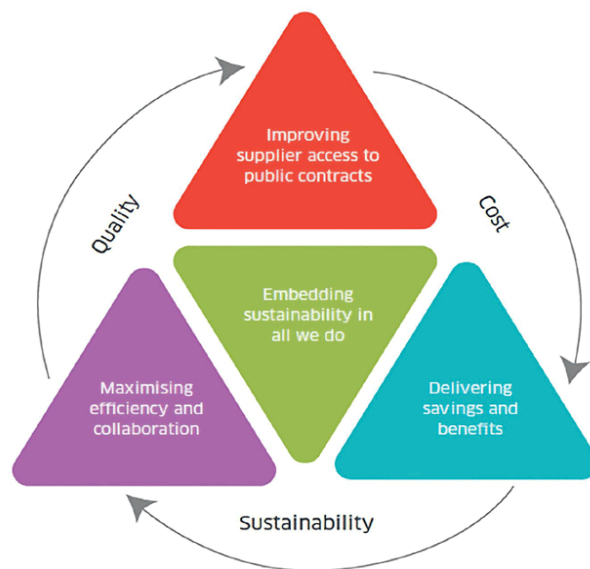
“ethical and sustainable value for money solutions that support the operational needs and wider strategic aims of the councils and the communities they serve to further local and national priorities to the fullest extent possible.”

Beyond mandatory (£4M) and regulated thresholds (£50K for goods and services/£2M for works) the partner councils routinely seek:

“leverage opportunities (including social, economic and environmental value) aligned to the needs and priorities of our communities”

Our themed approach to community benefits continues to evolve and improve in close alignment with the following local and national priorities, and the Scottish Model of Procurement.

The Scottish Model of Procurement is owned by all the Scottish Public Sector with the aim of promoting the power of public spending to deliver genuine public value beyond simply cost and /or quality in procurement:



As detailed in the Community Benefits Analysis Summary as an organisation we have included, in process or delivered a total of 124 Community Benefits in this period.

In total, **124** community benefit outcomes were imposed or delivered during the reporting period

124 Community Benefit Outcomes were imposed in 13 regulated contracts advertised in the reporting period




7 of 13 regulated contracts (54%) included requirements relating to Fair Work Practices (including Real Living Wage)



10 of 13 regulated contracts (77%) included community benefit requirements

124 Community Benefit Outcomes were imposed in 13 regulated contracts advertised in the reporting period (2021 / 2022)


12 Fair Work Practices (Real Living Wage)



30 Jobs Created (including Apprenticeships)



20 Work Experience Placements (Including Graduates)




15 Development of the Workforce



10 School, Further / Higher Education



7 Prompt Payment Measures




3 Employability Engagement Activities



1 Vacancy Sharing



10 Environmental Measures



4 Community Support / Donations



9 Local Economic Development Measures

3 Case Studies / Innovation



Section 4 – Supported Business Summary

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

Related Duties

Engaging with those affected by our procurements;

- Ensuring regulated procurements contribute to the carrying out of our functions/achieving our purposes;
- Acting in a transparent and proportionate manner;
- Policy on the use of community benefit requirements;
- Compliance with the sustainable procurement duty.

The Details of the contracts with supported businesses in the reporting period is shown below.



Contract with Passion4Social

IT services website design

*Contract for services to the Commercial & Procurement Shared Service covering Aberdeen City, Aberdeenshire, Highland Councils

The definition of a Supported Business as per Scottish Government:

“Supported businesses are social enterprises whose main aim is to integrate disabled or disadvantaged people socially and professionally. Their workforce must be at least 30% disabled or disadvantaged.”

It is Scottish Government policy that every public body should have at least one contract with a supported business.

Section 5 – Regulated & Future Procurement Summary

Appendix 1 – Regulated Procurements 01 April 2021- 31 March 2022

PCS Document ID / Contract ID	Description	Contract Type	Category Type	Total Value	Supplier Name	Award Date	Start Date	End Date
688403	DIHD20035 Housing Development Phase 1 - Meiklefield, Dingwall	2 Works Contract	Contract Award Notice	£ 2,588,734.74	WGC Scotland Ltd (GB)	28/03/2022	04/04/2022	04/04/2023
687059	Milton of Leys Primary - Nursery Building	2 Works Contract	Contract Award Notice	£ 3,012,171.02	Morrison Construction (GB)	16/03/2022	16/03/2022	16/09/2022
685471	North Scotland/Wick John O Groats Airport PSO Scheduled Flight Services	1 Services Contract	OJEU Contract Award Notice	£ 4,296,449.00	Eastern Airways (GB)	09/03/2022	11/04/2022	11/04/2025
685789	Residual Waste Treatment and Disposal 2021 - CPwN	1 Services Contract	OJEU Contract Award Notice	£ 58,000,000.00	Viridor Dunbar Waste Services Limited (GB)	07/03/2022	01/01/2023	01/01/2028
680302	DIHD18066 30 New Housing Units, Easterfield, Inverness	2 Works Contract	Contract Award Notice	£ 3,664,607.00	Springfield Properties Plc (GB)	01/03/2022	03/02/2020	03/06/2021
684260	Inverness Castle - Refurbishment and Redevelopment	2 Works Contract	OJEU Contract Award Notice	£ 22,876,454.38	Bancon Construction (GB)	22/02/2022	04/04/2022	04/10/2024
678994	Highland Council Heating Framework 2021-2024	2 Works Contract	OJEU Contract Award Notice	£ 12,000,000.00	Everwarm Ltd (GB) / EJ Parker Technical Services (Scotland North) Ltd previously Korrie Technical Services (GB) / Gas Call Services Ltd (GB) / Sangster Electrical Ltd (GB)	12/01/2022	19/10/2021	19/10/2024
676009	30 New Units, Distributor Road, Dingwall	2 Works Contract	OJEU Contract Award Notice	£ 6,421,909.21	WGC Scotland Limited (GB)	21/12/2021	06/12/2021	06/04/2023

PCS Document ID / Contract ID	Description	Contract Type	Category Type	Total Value	Supplier Name	Award Date	Start Date	End Date
676562	Interpretation Services Framework	1 Services Contract	OJEU Contract Award Notice	£ 850,000.00	Global Language Services Ltd (GB) / DA Languages Limited (GB) / Global Connections (Scotland) Ltd (GB)	09/12/2021	30/09/2021	30/09/2024
674704	Invercoe Bridge Replacement	2 Works Contract	OJEU Contract Award Notice	£ 5,501,655.64	Story Contracting Ltd (GB)	23/11/2021	06/12/2021	06/05/2023
667828	Employee Assistance Programme	1 Services Contract	OJEU Contract Award Notice	£ 200,000.00	Spectrum.Life (IE)	23/09/2021	23/03/2020	23/03/2023
667895	Fruit & Vegetables - Call Off - 10/19	0 Supply Contract	Contract Award Notice	£ 2,025,000.00	Swansons Fruit Company Ltd (GB)	21/09/2021	25/10/2021	25/10/2024
667832	Framework Agreement for Counselling Services for Children & Young People	1 Services Contract	OJEU Contract Award Notice	£ 4,000,000.00	Ypeople (GB) / Counselling Care:Skye and Lochalsh (GB) / Lochaber Hope (GB) / HPS Counselling (GB) / Ewens Room (GB) / CAITHNESS COUNSELLING SERVICES LTD (GB) / CrossReach (the operating name for The Church of Scotland Social Care Council) (GB) / Place2Be (GB) / Rowan Consultancy (GB) / Scottish Counselling Services (GB) / Wellbeing Scotland (GB)	21/09/2021	12/04/2021	12/04/2023
665543	New Housing Units, Stratton Farm, Inverness	2 Works Contract	OJEU Contract Award Notice	£ 8,354,928.60	Bancon Construction (GB)	01/09/2021	06/04/2020	06/07/2021
664566	Uig Harbour Redevelopment - Re-advertisement	2 Works Contract	OJEU Contract Award Notice	£ 41,437,000.00	RJ McLeod (Contractors) Ltd (GB)	23/08/2021	25/10/2021	25/10/2023

PCS Document ID / Contract ID	Description	Contract Type	Category Type	Total Value	Supplier Name	Award Date	Start Date	End Date
664128	Award of Mobile and Audio Conferencing Services	1 Services Contract	Contract Award Notice	£ 75,195.00	BT PLC (GB)	16/08/2021	12/08/2021	12/08/2024
663953	Award of Mobile Telephony	1 Services Contract	Contract Award Notice	£ 75,195.00	BT PLC (GB)	13/08/2021	12/08/2021	12/08/2024
663826	Award of Mobile Telephony	1 Services Contract	Contract Award Notice	£ 75,195.00	BT PLC (GB)	12/08/2021	12/08/2021	12/08/2024
651947	Provision of Refugee Resettlement Programmes ESOL for Language & Employability Framework Agreement	1 Services Contract	OJEU Contract Award Notice	£ 150,000.00	WEA Scotland (GB)	26/04/2021	08/04/2021	08/04/2023
650786	New Primary School, Ness Castle, Inverness	2 Works Contract	Contract Award Notice	£ 12,502,423.70	Kier Construction (GB)	14/04/2021	13/04/2021	13/08/2022

Appendix 2 – Future Regulated Procurements 01 April 2022 – 31 March 2024

Contract Name	Type of Contract	Estimated Contract Notice Publication Date	Estimated Contract Value
Mixed Recycling	Renewal	Jul-22	£2,544,000
Garden Waste	Renewal	Aug-22	£1,316,000
Food Waste	Renewal	Aug-22	£159,375
Ergonomic Assessments inc Equipment Furniture Strategy	New Procurement	Mar-22	£280,000
Fixed Telephony	Extension	Dec-22	£508,370
Mobile Telephony -	Extension	Dec-22	£219,600
Temporary Serviced Accommodation	Renewal	Jun-22	£12,200,000
Highland Transport DPS	Mini Competition	Dec 22 (Ongoing)	£15,500,000
Small Repairs and Minor Works Framework Agreement - Tranche 1	New Procurement	Sep-22	£5,000,000
Small Repairs and Minor Works Framework Agreement - Tranche 2	New Procurement	Sep-22	£2,000,000
Small Repairs and Minor Works Dynamic Purchasing System - Tranche 3	New Procurement	Sep-22	£10,000,000
Cromarty - Nigg Ferry Service F.03	Renewal	Dec-22	£480,000
Road Salt Stevedoring Services	Mini Competition	May-22	£5,732,989
Supply of Travel and Accommodation Services	New Procurement	Jul-22	£6,000,000
Mentoring for Children (MCR Pathways)	Contract Award	Aug-22	£135,000
Employability Services	New Procurement	Dec-22	£4,000,000
Coaching / Mentoring for Public Sector / YP	New Procurement	Oct-22	£692,000
THC Consultancy	New Procurement	Nov-22	£40,000
Advice and information services	Direct Award	Mar-23	£5,730,000
Renewable Heat Services 2022 - SER051/Biomass only	Renewal	Sep-22	£15,600,000

Contract Name	Type of Contract	Estimated Contract Notice Publication Date	Estimated Contract Value
Garden Aid 2017/Uplifts	Uplift	Sep-22	£1,421,342
Residual Waste Treatment Disposal (CPwN) 2021	Renewal	Mar-22	£54,000,000
Glass Recycling 2021	Direct Award	Aug-23	£648,192
Power tools	Savings Project	Mar-22	£70,000
Provision of Butcher Meat	New Procurement	Aug-22	£1,180,000
Security Services - Inverness Security Point	Direct Award	Oct-22	£65,000
Provision of Fresh Fruit & Veg	Renewal	Oct-24	£2,000,000
Security Services - Inverness Security Point	Extension	Oct-22	£65,000