



COMHAIRLE NAN EILEAN SIAR

STATUTORY ANNUAL PROCUREMENT REPORT 2018/19

INTRODUCTION

Comhairle nan Eilean Siar published its Procurement Strategy, as required by the Procurement Reform (Scotland) Act 2014 (the Act), in December 2019. In order to report compliance with this Strategy and indeed the Act itself, the Comhairle is also bound to publish an Annual Report. This is the third Annual Procurement Report to be published by the Comhairle.

In addition to the required information set out in the Act, this Report also contains details of performance against a number of strategic indicators which were introduced in order to measure progress against the new duties introduced by the legislation.

SECTION 1 – SUMMARY OF REGULATED PROCUREMENTS

Section 18(2) 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”. A regulated procurement is completed when the award notice is published or where the procurement process otherwise comes to an end. This includes contracts and framework agreements.

As at November 2019 the Comhairle has 95 live contracts listed in the contract register, of which 23 were regulated procurement exercises awarded in the year 2018/19, which were as detailed in appendix one.

The Procurement Strategy 2019-21 was approved by the Comhairle in December 2019. Following approval of the Procurement Strategy an action plan will be developed.

<https://www.cne-siar.gov.uk/business/procurement/procurement-strategy/>

An Annual Report has been produced to detail progress towards the achievement of the Comhairle’s approved targets in each of the strategic theme areas:

- Winning ways for local suppliers
- Developing strong supplier relationships
- Strengthening the Comhairle’s buying power
- Promoting sustainability
- Efficiency in Purchase to Pay

Regulated procurement has contributed towards the achievement of over £35k (£613k in 2017/18) procurement savings in 2018/19 and tenders were received from local suppliers for all category C procurement exercises where there is a supply base in the Western Isles.

SECTION 2 – REVIEW OF REGULATED PROCUREMENT COMPLIANCE WITH THE COMHAIRLE’S PROCUREMENT STRATEGY

Section 17 of the Act requires all regulated procurements to be carried out in line with the organisations procurement strategy. Section 18(2) states that an annual procurement report must include “a review of whether those procurements complied with the authority’s procurement strategy” and “the extent to which any regulated procurements did not comply, and a statement detailing how the organisation will ensure that future regulated procurements do comply”.

The Comhairle’s Procurement Strategy states that “for amounts over £50,000 the Comhairle’s contract regulations must be applied and a procurement strategy produced”.

Of the 23 regulated procurements completed during 2018/19, 20 were undertaken in line with the approved process that includes the development of a Procurement (Commodity) Strategy for approval by the Procurement Steering Group. This governance process enables the proposed Procurement Strategy to be reviewed for compliance with and contribution to the Comhairle’s approved Procurement Strategy.

The figure of 23 does not include contracts or call-offs awarded under Category A (Scottish Procurement), Category B (Scotland Excel) and other available Frameworks, e.g. Crown Commercial Service (CCS).

SECTION 3 – THE EXTENT THAT ANY REGULATED PROCUREMENT DID NOT COMPLY, A STATEMENT OF HOW THE AUTHORITY INTENDS TO ENSURE THAT FUTURE REGULATED PROCUREMENTS DO COMPLY

There were three contracts awarded where the procurement process did not comply with the Comhairle’s Procurement Policy as follows:

- An Energy Efficiency Project Management Service which was a continuation of a pre-existing arrangement and therefore a procurement strategy was not considered necessary.
- An ESF Western Isles Poverty and Social Inclusion (Fuel Poverty) Challenge Fund which, although a procurement strategy document wasn’t developed, was published as an Open contract opportunity on the Public Contracts Scotland portal in line with the Comhairle’s Contract regulations.
- A Roads Weather Monitoring Services - Data Management and Calibration/Maintenance Contract was determined to be a single source of supply and therefore a strategy document was not needed.

In all three cases the non-compliance was the absence of a Procurement Strategy document.

SECTION 4 – A SUMMARY OF COMMUNITY BENEFIT REQUIREMENTS IMPOSED AS PART OF A REGULATED PROCUREMENT

Section 18(2) of the Act 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”.

In 2018/19 there were no regulated procurements with a value in excess of £4m, however, one contract awarded included a Community Benefit clause. Community Benefits are considered for inclusion in all regulated procurement exercises.

SECTION 5 - SUMMARY OF ANY STEPS TAKEN TO FACILITATE THE INVOLVEMENT OF SUPPORTED BUSINESSES IN REGULATED PROCUREMENTS

Section 18(2) of the Act requires organisations to summarise steps taken to facilitate the involvement of supported businesses in regulated procurement. Scotland Excel recognises that supported businesses provide a crucial contribution to the Scottish economy. Supported businesses are defined as: *“an economic operator whose main aim is the social and professional integration of disabled or disadvantaged persons where at least 30% of the employees are disabled or disadvantaged”*. Contracts may be reserved for those businesses meeting these criteria

In 2018/19 the Comhairle spent £3,972.17 with supported businesses with 100% being attributable to the use of Lady Haig’s Poppy Factory.

SECTION 6 – FUTURE REGULATED PROCUREMENT SUMMARY EXPECTED TO COMMENCE IN THE NEXT TWO FINANCIAL YEARS

Appendix Two to this Report provides the known planned forward procurement programme for the period November 2019 to November 2022.

SECTION 7 – SUCH OTHER INFORMATION AS THE SCOTTISH MINISTERS MAY BY ORDER SPECIFY

At this time, the Comhairle is not aware of any additional Orders issued by the Scottish Ministers.

SECTION 8 - FURTHER INFORMATION

A report on the achievement of the Comhairle’s Procurement Strategy is presented annually to the Policy and Resources Committee. More information on the Comhairle’s procurement activity is available on the web site here:

<https://www.cne-siar.gov.uk/business/procurement/>

APPENDIX ONE

REGULATED PROCUREMENT

CONTRACT AWARD NOTICES PUBLISHED DURING 2018/19

Contract	Value
Marybank Depot Pollution Control	£137,921.72
Supply and Delivery of Fresh Bakery Products Isle of Lewis	£60,000.00
Supply and Delivery of Butcher Meat 2017-18	£90,000.00
Craigston Coastal Protection Repair	£195,673.16
Iolaire Footpath	£108,638.06
Management Services for the HEEPS Scheme in the Western Isles	£93,854.00
Supply, Delivery, Installation and Maintenance of a Piers and Harbours Fuel Management System	£93,111.00
Marine Insurance Services for the period 1 April 2018 - 31 March 2021	£156,513.48
Western Isles Poverty and Social Inclusion Operations Fuel Poverty Challenge Fund	£80,000.00
Lewis and Harris Evening Bus Services	£520,000.00
Framework Agreement for the Capital Works Programme 2015 - 2018	£10,000,000.00
Roadstone and Concrete Aggregates	£200,000.00
Peripatetic Assessors and Verifiers 2018-19	£30,000.00
Creed Bridge Deck Replacement	£160,224.73
Roads Weather Monitoring Services - Data Management and Calibration/Maintenance Contract	£114,431.75
Western Isle Winter Weather Forecasting Services 2018-22	£51,056.52
Provision of Cafeteria Facilities at Ionad Spors Leodhais	£18,000.00
Spinal Route Remedial Works	£172,046.00
Lews Castle Grounds Regeneration Project - Buildings and Structures Works	£1,650,000.00
Lews Castle Grounds Regeneration Project - Civils Works	£966,755.70
Award of Lews Castle Grounds Regeneration Project - Structures	£1,177,795.50
Supply and Delivery of Butcher Meat	£360,000.00
Business Skills Services Contract 2019-22	£64,944.00

APPENDIX TWO

FUTURE REGULATED PROCUREMENT NOVEMBER 2019 TO NOVEMBER 2022

Description	Anticipated Contract Start Date
Sheriff Officer Services	01/12/2019
Peripatetic Assessors and Verifiers (SVQ)	01/01/2020
Lochmaddy Ferry Terminal Upgrade Works	01/01/2020
Supply of Fuel (Vehicles)	08/01/2020
Roadstone and Concrete Aggregates	15/01/2020
Construction Works Framework 2020-24	01/02/2020
Fire Alarm Maintenance and Access Control Maintenance Contract	01/04/2020
Salt Barn	01/04/2020
Digital Boost Programme	01/04/2020
Supply and Delivery of Fresh Fruit and Vegetables	01/04/2020
Public Transport (Land) Services Uist and Barra	01/04/2020
Uist and Barra School Bus Services	01/04/2020
Social Work Management Information System	01/04/2020
Homecare Scheduling and Monitoring system	01/04/2020
Grounds Maintenance	01/04/2020
Supply and Delivery and Application of Bituminous Materials	01/04/2020
Supply, Installation, Configuration and Maintenance of Firewalls	29/04/2020
Management Services for the HEEPS Scheme in the Western Isles	28/05/2020
Sandwick Road Cemetery	01/06/2020
Pupils with additional support needs - School Taxi Transport	17/08/2020
Early Years pupils transportation in Uist	17/08/2020
Independent Medical Advisory Services	02/11/2020
Supply and Delivery of Fresh Butchermeat	18/02/2021
Roads Asset Management IT system	01/04/2021
Treasury Management Advice Services	01/04/2021
Citizens and Money Advice Services	01/04/2021
Asset Management System (IT assets)	01/04/2021
Insurance Services	01/04/2021
Residential, Nursing and Respite Care Home Services	01/04/2021
Roads Maintenance Framework	01/04/2021
Public Inter-Island Air Services between Benbecula and Stornoway	01/04/2021
Time Recording and Associated Systems	01/04/2021
Revenues and Benefits IT System	01/04/2021
Trades Framework	05/04/2021
Printing Devices in CNES Sandwick Road and Town Hall	24/05/2021
Ionad Spors Leodhais Cafeteria Franchise	28/05/2021
Local Area Network and IP Telephony Infrastructure Provision	30/06/2021
Mobile phones	02/08/2021
Valuation Services	12/10/2021
Broker Services	30/11/2021
Income Management Services	01/04/2022
VAT Advice Service	01/04/2022
Business Skills Services	01/04/2022
Occupational Therapy Equipment Maintenance	16/07/2022
IT Virus Protection	26/09/2022
Sophos Endpoint Protection	26/09/2022
Supply of Heating Oil (Scottish Government Contract)	14/10/2022
Supply and Delivery of Fresh Bakery Products	14/11/2022