



**REPORT TO: ECONOMIC DEVELOPMENT AND INFRASTRUCTURE
SERVICES COMMITTEE ON 19 FEBRUARY 2019**

SUBJECT: SUPPLIER DEVELOPMENT PROGRAMME

**BY: CORPORATE DIRECTOR (ECONOMIC DEVELOPMENT,
PLANNING & INFRASTRUCTURE)**

1. REASON FOR REPORT

- 1.1 To provide information about membership of the Supplier Development Programme (SDP).
- 1.2 This report is submitted to Committee in terms of Section III (F) (2) of the Council's Scheme of Administration relating to the exercise of functions that promote economic development.

2. RECOMMENDATION

2.1 It is recommended that the Committee considers:

- i) what full membership of the Supplier Development Programme would bring and then either;
- ii) continue associate membership or;
- iii) trial full membership in 2019/20 and review the trial through a report to a future meeting of this committee.

3. BACKGROUND

- 3.1 On 15 May 2018, this Committee considered a report regarding activities undertaken by the Council to support supplier development (paragraph 9 of the minute refers); these are set out in **Appendix 1**. This included the Council's associate membership of the Supplier Development Programme (SDP) <https://www.sdpScotland.co.uk>. SDP provides training to upskill small and medium sized enterprises looking to win business from the public sector. It has been available across Scotland since 2014 following an initial investment from the Scottish Government Procurement Service. Moray Council has been an associate member of the programme since 2014. The cost of associate membership has been £1,200 which gives access to on-line materials (webinars) produced by SDP and notification of procurement opportunities. Associate membership also allows the Council to participate on

the board of SDP and in its network groups. It includes a page on the SDP website which provides information about supplier development in Moray with contact information.

- 3.2 In July 2018 the Council was advised by SDP that associate membership of SDP is coming to an end; that membership should transition to full membership by 2020. This change is because SDP considers the intervention they offer is widening from training for business relating to local authority procurements to include procurements from other central government agencies.
- 3.3 In the aforementioned report to this committee in May 2018, reservations were raised by business support staff which include Business Gateway Moray about the reach of SDP and the demand for its training in Moray. As of that date most SDP activities including “one to many” advice has taken place in the central belt.
- 3.4 In September 2018 SDP held a meet the buyer event in Inverness, 350 businesses which supply services attended from across the country. Business Gateway together with other local business support agencies helped to publicise the event to attract local business to participate.
- 3.5 The Moray Council Payments Manager presently sits on the Board of SDP and advises there is a drive by SDP to engage with all 32 councils at a consistent (full membership) level in order to deliver a national product with the support of the Scottish Government, and that it will be the main driver in Scotland for supplier development. At present Moray is one of only 3 councils who have not yet moved to full membership. Since the previous report to this committee the Chair of the Board of SDP has written to the Council to set out what it would receive in return for full membership **Appendix 2**. In summary SDP full membership would include:
 - At least 4 face to face training sessions for business delivered throughout the year in the council area.
 - A “Talking Tenders” webinar with Moray Council. This offers Moray Council an opportunity for their procurement personnel to broadcast via webinar – how to tender/ do business with the Council, where SDP staff list the event on its website and manage the bookings.
 - Consideration of featured categorised events. That is where the Council identify an opportunity, where they would like to carry out some early intervention e.g. a known market where suppliers are less likely to understand the tender process.
 - Moray Growth Deal. SDP has experience of raising awareness of City Deal projects and would offer its marketing and event services to support Moray Council for related supplier engagement events relating to these projects.
- 3.6 For training provided by SDP, Moray Council staff would have to identify the audience, book venues and support the events.
- 3.7 Associate membership of SDP is presently managed from a part of the operational budget of Business Gateway. The core service of Business Gateway is the provision of one to one advice and one to many training for small and medium sized enterprises; expenditure is mainly on workshops.

- 3.8 If it is agreed to pilot full membership, the additional cost (£3,600) could be met in 2019/20 from not holding a Business Week (£1,500) for one year which will be difficult to achieve this year in any event with reductions in staffing from the Chamber and Council and from down scaling the annual funding seminar to a much smaller event.
- 3.9 It is recommended that if the Committee is minded to become a full member of the programme that in 2019/20 it trials the service, with an evaluation undertaken at the end of the year. Further it is recommended that a review of the trial is considered by this committee to determine how to proceed regarding membership thereafter.

4. SUMMARY OF IMPLICATIONS

(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))

Supplier development is an activity which can help existing business win contracts procured by the public sector. This can support the corporate plan priority to promote economic development and growth, also the LOIP priority of a growing and sustainable economy.

(b) Policy and Legal

The Council considers support for economic development issues on their merits, against the objective to facilitate sustainable economic growth and the desired outcomes of the Ten Year Plan and Corporate Plan.

(c) Financial implications

Associate membership of the Supplier Development Programme is £1,200 a year. This is paid from the Business Gateway operational budget. Full membership is £4,800 per year. The additional cost could be managed from the same budget but would lessen the amount available for other business support functions as detailed in the report.

(d) Risk Implications

There are no risk implications.

(e) Staffing Implications

Existing Moray Council staff from Business Gateway would need to work with SDP to select the most appropriate trainings based on known business need. Staff would need to organise and pay for the venues for training on at least 4 occasions and provide the staffing resource to support training events, staff would be required to evaluate attendance and outcomes at the end of the year

(f) Property

There are no property implications.

(g) Equalities/Socio Economic Impact

There are no equalities impacts arising from this report.

(h) Consultations

The Corporate Director (Economic Development Planning & Infrastructure), the Head of Development Services, the Legal Services Manager, the Payments Manager, the Equal Opportunities Officer, Paul Connor (Principal Accountant) and Lissa Rowan (Committee Services Officer) have been consulted and comments received have been incorporated into the report.

5. CONCLUSION

- 5.1 The Council is being asked to consider taking Full Membership of the Supplier Development Programme. If minded to it is recommended that this should be trialled during 2019/20. The trial would be reviewed by the Committee.**

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Background Papers: SDP Letters Appendix 2 to this report
<https://www.sdpScotland.co.uk/>

Ref: Supplier Development