

## REPORT TO: ECONOMIC DEVELOPMENT AND INFRASTRUCTURE SERVICES COMMITTEE ON 19 OCTOBER 2021

## SUBJECT: SUPPLIER DEVELOPMENT PROGRAMME MEMBERSHIP

BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND FINANCE)

## 1. REASON FOR REPORT

- 1.1 To provide Committee with an update on the Supplier Development Programme membership.
- 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. <u>RECOMMENDATION</u>

2.1 It is recommended that the Committee approves membership of the Supplier Development Programme to be reviewed once the Community Wealth Strategy and Action Plan are developed.

## 3. BACKGROUND

- 3.1 Moray Council has been an associate member of the Supplier Development Programme (SDP) since 2014. SDP provides training to upskill small and medium sized enterprises (SME's) looking to win business from the public sector. On 19 February 2019, this Committee agreed to trial full membership of the Supplier Development Programme for one year in 2019/2020 and that the results of this trial be reported to future meeting of this Committee (para 12 of the minute refers). A further report was presented on 20 October 2020 highlighting whilst overall engagement with businesses and promotion of the SDP had been very successful, there was not enough time to fully evaluate the outcomes and it was decided to continue the trial membership for financial year 2020/2021 (para 11 of the minute refers).
- 3.2 Outcomes of the SDP membership so far includes that events delivered in Moray are being tailored to meet the requests from businesses, which attended the launch event in 2019. They are tailored on suppliers who wish to

deal with Moray Council. Surveys conducted showed that of the 76 respondents, 44 stated that their business is based in Moray. 54 respondents (72%) showed a preference for face-to-face training with 37 respondents (49%) with a preference for hosted webinars. However due to the pandemic all activities had to be limited to virtual events. Council's involvement with SDP Meet the Buyer North was delivered virtually by SDP in August 2020 and repeated in September 2021. Of the total of 13 suppliers attending from Moray, 100% stated that they would participate in any future events and would recommend the Meet the Buyer event to other public sector buyers. It has not been possible to identify a direct link between attendance at events and participation in tendering for contracts.

## 4. PROGRESS UPDATE

- 4.1 Full membership includes the following:
  - At least 4 face to face training sessions for business delivered throughout the year in the Council area.
  - A 'Talking Tenders' webinar on how to tender/do business with the Council

     hosted by SDP with Moray Council procurement personnel to hold a
     Question & Answer session.
  - Consideration of featured categorised events. That is where Council identifies an opportunity to carry out some early intervention e.g. a known market where suppliers are less likely to understand the tender process.
  - Marketing SDP produced a marketing action plan for Moray Council including widespread on-going social media campaign, features in SDP monthly newsletters that targets 14,000+ businesses and paid advertising supplement through HN Media promoting Moray
  - 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.
- 4.2 SDP Board no longer offers an associate membership and full membership is the only offer to local authorities. Whilst it is not apparent in terms of numbers of additional companies having registered with Public Contract Scotland (PCS) and successfully gained contracts as a result of the SDP work provided, however full membership is one of various actions taken to promote, encourage and upskill SME's to gain business from the public sector, with all other 31 Local Authorities being members.
- 4.3 It complements the work of the Moray Economic Recovery Plan by Business Gateway in partnership with HIE for the consultancy provision for small businesses to support procurement and supplier development through assisting companies in preparing bids. The work around community wealth building and growing the local economy with a focus on progressive procurement and the new emphasis on climate change through reducing distances travelled by suppliers, which all will further strengthen the links between procurement team and actions to support local businesses to gain contracts from the public sector. A separate report on Community Wealth Strategy and Action Plan are presented at this committee. It also links to the Public Contracts Scotland Capability Development supported by Scottish Government through secondment of post within the Economic Growth &

Regeneration section in the delivery of PCS and PCS-Tender services across all sectors in Scotland. It includes training course, development of system user guides, supporting and communicating with buyers and suppliers.

4.4 Continued membership of the SDP is vital to support the ongoing work of the newly formed supplier development forum. The forum intend to access the services offered by SDP to facilitate targeted support for local firms, to assist in increasing the proportion of Council procurement spend with Moray based businesses. Any work with SDP will be reported via the quarterly Business Gateway reports, which are published on the Council website.

http://www.moray.gov.uk/moray\_standard/page\_59743.html

#### 5. <u>SUMMARY OF IMPLICATIONS</u>

# (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

Full membership is £4,800 per year. The proposed continuation of full membership which can be accommodated from the Business Gateway budget.

#### (d) **Risk Implications**

There are no risk implications.

#### (e) Staffing Implications

Council staff from Procurement, Economic Strategy & Development and Economic Growth & Regeneration sections, which includes Business Gateway will provide ongoing support and link to SDP work.

#### (f) Property

There are no property implications.

#### (g) Equalities/Socio Economic Impact

There are no equalities impacts arising from this report

#### (h) Consultations

The Depute Chief Executive (Economy, Environment and Finance), the Head of Economic Growth and Development, the Principal Accountant (Paul Connor), the Legal Services Manager, the Payments Manager, the Equal Opportunities Officer and Lissa Rowan (Committee Services Officer) have all been consulted and their comments included within the report.

## 6. <u>CONCLUSION</u>

- 6.1 The Supplier Development Programme promotion and activities have been successful in engaging businesses from Moray. It forms part of a range of actions to encourage SME's to gain contracts from public bodies.
- 6.2 These actions should be viewed as part of the wider plan designed to complement and enable each other.

Author of Report:	Reni Milburn, Economic Growth and Regeneration Manager
Background Papers:	Correspondence and reports on file in Economic Growth and Regeneration section Supplier Development Programme Membership Update

Ref: