

REPORT TO: PERSONNEL COMMITTEE - 16 APRIL 2007

**REPORT ON: TAYSIDE PUBLIC PROCUREMENT CONSORTIUM
- APPOINTMENT OF HEAD OF PROCUREMENT**

REPORT BY: DEPUTE CHIEF EXECUTIVE (FINANCE)

REPORT NO: 249-2007

1 PURPOSE OF REPORT

The purpose of this report is to appraise the Committee on the development of a Tayside Public Procurement Programme partnership between the City Council and the other two Tayside local authorities. In particular the report seeks approval to create the post of Head of Procurement as a post within Dundee City Council, but notes that the cost of this post will be met one third by each of the three Tayside local authorities.

2 RECOMMENDATIONS

- 2.1 The Committee are asked to approve the creation of a post of Head of Procurement at CO27 (£60,492) on a fixed five year term.
- 2.2 The Committee instructs the Depute Chief Executive (Support Services) to conclude a Memorandum of Agreement with Angus Council and Perth & Kinross Council to share the costs associated with this new post.

3 FINANCIAL IMPLICATIONS

- 3.1 The gross cost of agreeing to the creation of the post of Head of Procurement is estimated to be £57,600 for the financial year 2007/08 and £76,800 in a full financial year.
- 3.2 The above costs will be shared equally between the three Tayside local authorities and the City Council's share will therefore be £19,200 in 2007/08 and £25,600 in a full financial year.
- 3.3 In 2007/08 the cost to the City Council will be met from the £327,000 pump prime funding which the City Council negotiated from the Scottish Executive and Scotland Excel, and from 2008/09 from savings in the cost of goods and services procured by the Council.

4 SUSTAINABILITY IMPLICATIONS

None.

5 EQUAL OPPORTUNITIES IMPLICATIONS

None.

6 BACKGROUND

- 6.1 The Committee considered and approved a corporate Procurement Strategy and a report detailing how the Council was proposing to modernise its procurement policies and processes. This report included the purchase and implementation of e-Procurement Scotland software.
- 6.2 The Corporate Procurement Strategy has been developed in a collaborative manner with Perth & Kinross and Angus Councils. During this collaboration work it became apparent that the Councils could not individually afford to appoint a Head of Procurement to manage the implementation of all aspects of the Public Procurement programme within Tayside, including the implementation and utilisation of the eProcurement Scotland system.
- 6.3 In addition to the appointment of a shared service Head of Procurement there may be a requirement to seek further consultancy support, as and when required. If there are any such costs these again will be shared by the three Councils on an equal basis.

7 CONSULTATION

The Chief Executive, Depute Chief Executive (Support Services) and Head of Finance have been consulted on the contents of this report.

8 BACKGROUND PAPERS

None.

**DAVID K DORWARD
DEPUTE CHIEF EXECUTIVE (FINANCE)**

5 APRIL 2007