

**I refer to the agenda for the meeting of the Policy & Resources Committee to be held on 2 February 2010 and now enclose the undernoted reports which were not available on the date of issue.**

ELAINE PATERSON  
Head of Legal & Administration

**Undernote**

**NEW BUSINESS**

13. **Implementation of Childcare Voucher Scheme**  
Report by Head of Organisational Development & Human Resources
14. **Approval to Participate in a National Contract for Postal Services**  
Report by Corporate Director Improvement & Performance

**The documentation relative to the following item has been treated as exempt information in terms of the Local Government (Scotland) Act 1973 as amended, the nature of the exempt information being that set out in paragraph 1 of Part I of Schedule 7(A) of the Act.**

**REMITTS FROM COMMITTEES**

22. **Future Provision of Early Years Services in Gourock - Remit from Education & Lifelong Learning Committee**  
Report by Corporate Director Regeneration & Resources requesting the Committee to consider a remit from the Education & Lifelong Learning Committee relative to the future provision of Early Years Services in Gourock

Enquiries to - <b>Rona McGhee</b> - Tel 01475 712113
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<b>Report To:</b>	<b>Policy and Resources Committee</b>	<b>Date:</b>	<b>2 February 2010</b>
<b>Report By:</b>	<b>Head of Organisational Development and Human Resources</b>	<b>Report No:</b>	<b>HR/04/10/PS</b>
<b>Contact Officer:</b>	<b>Pamela Jamieson- Smith</b>	<b>Contact No:</b>	<b>01475 712519</b>

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**Subject: Implementation of Childcare Voucher Scheme**

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## **1.0 PURPOSE**

- 1.1 This report is to seek approval, as per Standing Order 6.1 of the Council's Standing Orders Relating to Contracts, for the tender for the Council's Childcare Voucher Scheme to be advertised on the National Advertising Portal established Procurement Scotland.

## **2.0 SUMMARY**

- 2.1 The Council is looking to appoint a scheme provider to administer its Childcare Voucher Scheme.
- 2.2 Approval was granted at the Policy and Resources Committee meeting on the 22 September 2009 for the introduction of a Childcare Voucher Scheme.
- 2.3 It is proposed that the contract would be for a period of 3 years.
- 2.4 There are no current approved suppliers for the provision of this service.

## **3.0 RECOMMENDATIONS**

- 3.1 It is recommended that the Committee approve the advertising of this contract, as per Standing Order 6.1 of the Council's Standing Orders relating to contracts, on the National Advertising Portal.

Head of Organisational Development  
and Human Resources

## **4.0 BACKGROUND**

- 4.1 The Council is looking to appoint a scheme provider to administer its Childcare Vouchers Scheme.
- 4.2 Approval was granted at the Policy and Resources Committee meeting on the 22 September 2009 for the introduction of a Childcare Voucher Scheme.
- 4.3 It is proposed that the contract would be a period of 3 years.
- 4.4 The appointed Scheme Provider will be asked to promote the Scheme and carry out the bulk of the administrative duties.
- 4.5 Procurement Scotland's National Advertising Portal was launched in October 2008. Inverclyde Council is registered on the National Advertising Portal but has not fully adopted the use of the system.

## **5.0 IMPLICATIONS**

- 5.1 Financial: As outlined in the report of September 2009, fee is payable to the provider chosen, details of fees depend on how suppliers respond to the invite to tender, but overall savings are predicted.
- 5.2 Legal: No changes to legal implications since those outlined in September 2009 report.
- 5.3 Human Resources: As the supplier would administer the scheme, the Human Resources implications would be minimal, although involvement in the initial set up would be required from both Organisational Development and Human Resources and Payroll Services and participating employees must agree to share their information with the provider.
- 5.4 Equalities: None.

## **6.0 CONSULTATION**

- 6.1 Consultation has already taken place with employees and trade unions as outlined in the September 2009 report.

**Report To: Policy and Resources Committee**

**Date: 2 February 2010**

**Report By: Corporate Director  
Improvement and Performance**

**Report No: POL/01/10/PW/AS**

**Contact Officer: Andrew Spowart**

**Contact No: 2039**

**Subject: Approval to participate in a National Contract for Postal Services**

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## **1.0 PURPOSE**

1.1 The purpose of this Report is to seek approval from Committee to:-

- a. participate in the new collaborative National Contract for Postal Services established by Procurement Scotland on behalf of all Scottish Public Bodies; and
- b. delegate authority to the Head of Legal and Administration in terms of Standing Order 10(ii) to enter into the National Contract for Postal Services established by Procurement Scotland, as detailed in Clause 2.3 of this Report, on behalf of the Council as the anticipated contract value exceeds £250,000;
- c. enter into the new National Contract for Postal Services, notwithstanding the terms of Regulation 26.5 of the Council's Financial Regulations

## **2.0 SUMMARY**

- 2.1 Procurement Scotland was set up by the Scottish Government to establish and implement new national contracts for certain categories of commodity for use by all public sector bodies.
- 2.2 To enable the Council to participate in these national contracts, and ensure that it is able to take advantage of the potential cost benefits, a participation agreement must be signed.
- 2.3 The Postal Services Contract is likely to involve expenditure in excess of £250,000 over the life of the contract, therefore delegated authority is sought in terms of Standing Order 10(ii) authorising the Head of Legal and Administration to enter into a national contract for the delivery of postal services on the basis that it represents Best Value to the Council.

## **3.0 RECOMMENDATIONS**

3.1 It is recommended that committee agree to:

- a. approve the Council participating in the new National Contract for Postal Services established by Procurement Scotland on behalf of all Scottish Public Bodies.
- b. delegate authority to the Head of Legal and Administration in terms of Standing Order 10(ii) to enter into the National Contract for Postal Services established by Procurement Scotland, as detailed in Clause 2.3 of this report, on behalf of the Council as the anticipated contract value exceeds £250,000.

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- c. approve the Council entering into the National Contract for Postal Services, not withstanding the terms of Regulation 26.5 of the Council's Financial Regulations.
  - d. agree that the Head of Legal and Administration Services put appropriate arrangements in place for the management and implementation of this contract.

**Paul Wallace**  
**Corporate Director**  
**Improvement and Performance**

## **4.0 Background**

4.1 Procurement Scotland was launched in March 2008 and is tasked with developing and implementing procurement strategies for national Category A Commodities on behalf of public sector bodies including local government.

4.2 Category A commodities are defined as:

- Goods or services across the largely common requirements of users in the public sector in Scotland
- Where a single contract facilitates the efficiency and competitiveness of suppliers
- Where the inclusion of contracts established by a single central organisation offers cost reduction through consolidated procurement volumes and values.

4.3 The Council has previously recognised the benefits that can accrue from the work being undertaken by Procurement Scotland as it has signed up to all of the national contracts/agreements and procures from the associated frameworks to secure on-going efficiencies. For the Council collectively and services individually to realise the full benefits of such arrangements, the Council requires to formally enter into a Participation Agreement for each commodity, services will be required to procure from the framework.

4.4 The national strategy for procurement of postal services was developed by Procurement Scotland. Following a competitive tendering exercise, the contract has now been awarded. Procurement Scotland indicate that the contract award could result in savings of £2.95 million nationally to the public sector or 30% of current spend subject to the buyer profiles being accurate. The Council will benefit from the use of this contract, discussions are taking place with Finance to quantify and apply the forecasted savings that may accrue to the Council.

4.5 The contract went live on 1<sup>st</sup> November 2009 and was let for a 12 month period, an option exists to extend the contract for a further 16 months.

## **5.0 Consultation**

5.1 The Chief Financial Officer, the Head of Legal and Administration and other relevant officers were consulted in the preparation of this report.

## **6.0 Implications**

### **6.1 Finance**

Discussions have taken place with Finance. As required under Standing Order 2.8, the Chief Financial Officer recommends there are special circumstances in this case which justifies a suspension of the Standing Orders to provide the Corporate Director Improvement and Performance with the interim authority sought in this report to authorise the Head of Legal and Administration to enter into Participation Agreements established by Procurement Scotland provided the Corporate Director is satisfied that the contract represents Best Value to the Council.

### **6.2 Human Resources**

*None.*

### **6.3 Legal**

Similar discussion to those with Finance have also taken place Legal and Administration as required under Standing Order 2.8 - the Head of Legal and Administration endorses the recommendation in 6.1 above provided the terms of the contracts are approved by Legal and Administration prior to each contract being concluded.