Consultation
Did you take part in the Scottish Government consultation exercise which preceded the Bill and, if so, did you comment on the financial assumptions made?
1. The Council’s Procurement experts participated in the consultation exercise, however, there were no financial assumptions to comment on.

Do you believe your comments on the financial assumptions have been accurately reflected in the FM?
2. N/A

Did you have sufficient time to contribute to the consultation exercise?
3. Yes.

Costs
If the Bill has any financial implications for your organisation, do you believe that these have been accurately reflected in the FM? If not, please provide details?
4. The Council agrees that there are a number of implementation areas which will have minimal financial repercussions for Councils.

5. However, contrary to the FM, there are also some areas where the Council expects to feel additional costs. Mainly, this is in respect of Training and Support Costs which is estimated at £0.086m. The Council anticipate that the impact of the Bill on public bodies will be dependant upon the size of the organisation and the current procurement capability and capacity available.

6. In terms of the consideration of community benefits, the Council disagrees with the cost neutral view of the FM. The Council cannot accurately measure the costs of this in terms of additional administration, however, this is viewed as an additional cost as it is over-and-above current practice.

7. The Council has a well established Contracts Register and is quoted by Spikes Cavell as a best practice example. However, it is not clear from the Bill that the Spikes Cavell template will be adopted by PCS, despite being the national standard at present. There could be additional effort required if the Council has to maintain two Contract Register databases.

8. The Council agree that the Reform Bill will produce savings, however, it is of the opinion that in most areas of the public sector some or all of these measures are already in place. It is felt that the majority of savings and efficiencies would be gained by suppliers rather than the public sector.
Do you consider that the estimated costs and savings set out in the FM and over the timescales for which they are projected are reasonable and accurate?

9. The costs set out in Table 1 for the Scottish Government appear reasonable over the timescale. There are no other costs – for other members of the public sector – shown and the Council believes this is neither reasonable nor accurate, as noted in the response to question 4 above.

If relevant, are you content that your organisation can meet any financial costs it is expected to incur as a result of the Bill? If not, how do you think these costs should be met?

10. The Council can manage some of the costs, that is, those associated with best practice improvements or increasing capabilities.

11. However, as noted in the response to question 4, the Bill obliges additional administrative, training and support costs to implement the Scottish Governments initiative. It would be proposed that an allocation of additional monies from the Government be provided to funding the initial implementation stages in terms of training and support. Thereafter, councils would manage this themselves.

Does the FM accurately reflect the margins of uncertainty associated with the estimates and the timescales over which such costs would be expected to arise?

12. Yes, however, the Bill has a number of areas where the nature of the duties has not yet been defined. At this point, those uncertainties cannot be assessed accurately and may produce increased costs.

Wider Issues

Do you believe that the FM reasonably captures the costs associated with the Bill? If not, which other costs might be incurred and by whom?

13. No. Other than for the Scottish Government the FM suggests that the financial effect on all other organisations will be cost neutral, this will not be the case.

14. The Council estimate that there will be at least £0.086m costs in staffing and training over the first two years of implementation – this is a conservative figure and makes no allowance for disruption and ongoing administration in future years.

Do you believe that there may be future costs associated with the Bill, for example through subordinate legislation? If so, is it possible to quantify these costs?

15. The Council does believe there will be future costs but is unable to quantify them as some of the duties and obligations are not clearly defined and do not provide enough information to allow their effects to be considered accurately.

16. In particular obligations under the sustainability and specification requirements may have unintended consequences on areas other than procurement, such as maintenance, standardisation of equipment and spare parts, staff training and accreditation.
**Other Comments**

17. The Council agree that PCS has provided better visibility of public sector business. It has also provided a focus for suppliers to access public sector business. As PCS-Tender becomes more widely used, it will provide a single point of access to most public sector business to the benefit of all parties.

18. In terms of the Climate Change (Scotland) Act 2009, the Council has concerns regarding the measurement of the proportion of such recycled goods. There should be clear guidance as to the recycled/reused elements being measured by value, weight, volume or some other criteria for reporting purposes. This is a fairly immature market place and it is suggested that there should be contingency to allow a long lead-in time for this initiative.