

NOTICE OF MOTION - SEEKING FAIRNESS IN PURCHASING

(as referred by the Civic Mayor to the Transformation and Resources Policy and Performance Committee)

Proposed by: Councillor Pat Williams

Seconded by: Councillor Alan Brighthouse

Council notes that Wirral's Procurement Strategy was last refreshed in April 2011. At that time, this ensured environmental and sustainability considerations were included, along with a partnership approach. Council believes it is time for this Strategy to be reviewed to formally recognise the changes in legislation and practices since then with a view to enshrining ethical and social issues.

Council notes that:

- corporate tax evasion and tax avoidance are now matters of public interest and concern, not only at national level but also internationally.
- corporate tax evasion and avoidance are having a damaging impact, not just on public services in well-established economies but also on the world's poorest countries. The loss to the latter has been assessed as being higher than they receive in aid.

Council further notes:

- that the UK Government has taken steps to tackle the issue of tax avoidance and evasion by issuing Procurement Policy Note 03/14, applying to all central government contracts worth more than £5m.
- the availability of independent means of verifying tax compliance, such as the Fair Tax Mark.

Council understands that, in early 2015, new regulations required public bodies, including Councils, to ask procurement qualification questions of all companies for tenders over £173,000 for service contracts and £4m for works contracts. However, these questions are not as detailed as the Procurement Policy Note 'Measures to Promote Tax Compliance' (PPN 03/14) issued in February 2014.

Council believes that it is now reasonable to require bidders for Council contracts to self-certify that they are fully tax-compliant in line with central government practice using the standards in PPN 03/14 rather than lower standards.

Council asks officers to report to the Transformation & Resources Policy and Performance Committee and Cabinet to investigate whether and how this policy could be effectively included in the Council's Procurement Procedures, taking into account the need not to unfairly prejudice small businesses.