

ANGUS COUNCIL PROCUREMENT STRATEGY 2019/21

Table of Contents

Executive Summary	3
Part 1. Introduction	7
Foreword	7
Purpose of the Council's Procurement Strategy	8
Part 2. Background	10
2.1 Links to Angus Council Strategy & Objectives	10
2.2 Alignment with Tayside Procurement Partners	11
2.3 Financial Context	
2.4 Legislative Context	
2.5 Conclusions from the Annual Procurement Report 2018/19	
Part 3. Strategic Aims, Objectives & Key Priorities	
3.1 Our Key Objectives	
3.2 Key Objective 1 - Maximising Efficiencies through Procurement	
Ambition 1.1 Best Value Contracts	
Ambition 1.3 e-Procurement	
Ambition 1.4 Management Information	
3.3 Key Objective 2 - Procurement Capability Development	
Ambition 2.1 Knowledge & Skills	
Ambition 2.3 Awareness	
Ambition 2.4 Continuous Improvement	19
3.4 Key Objective 3 - Development of Collaborative Opportunities	19
Ambition 3.1 Collaboration	
Ambition 3.3 Communication	
3.5 Key Objective 4 - Fulfilment of Sustainable Procurement Duties	
Ambition 4.1 Sustainable Procurement	21
Ambitions 4.2 & 4.4 Community Benefits	
Ambition 4.5 Ethical Procurement – Action against Modern Slavery	
Part 4. Governance, Legislation & Good Practice	
_	
4.1 Sustainable Procurement Duty	
4.2 Community Benefit Requirements	
4.4 Procurement of Fairly and Ethically Traded Goods and Services	27
4.5 Equalities in Procurement	
4.6 Ethical Standards	
4.7 Procurement Tools & Good Governance	
4.7.1 Financial Regulations	
,	
Part 5. Conclusions	30
Annex 1 - Angus Council Procurement Strategy 2019/21 - Improvem	ent Plan
	21

Executive Summary

Context

Strategic Context - This statutory procurement strategy review sits in the context of the <u>Angus Council Plan 2019-2024</u> which sets out our strategic priorities:-

- 1. Angus is a go to place for business
- 2. We want to maximise inclusion and reduce inequalities
- 3. We want our communities to be strong, resilient and led by citizens
- 4. We want Angus Council to be efficient and effective

The Procurement Sounding Board Member Officer Group's took a view on the Council's priorities for its procurement strategy in the coming year and these have been reflected in the action planning on this review.

Financial Context - The Council's <u>Medium Term Budget Strategy</u> projections to 2022/23 indicate that there continue to be ongoing significant General Fund revenue financial shortfalls to be addressed: £14.3M on 2020/21, £11.2M in 2021/22 and £9.5M in 2022/23 (3 Year total £35.0M).

Tayside Context – Angus, Dundee City and Perth & Kinross Councils with Tayside Contracts have embarked on delivery of a full shared procurement service for the Tayside councils. The delivery project commenced in June 2019 with the appointment of a Strategic Programme Manager to the project by Scotland Excel (engaged by the Tayside procurement partners to support delivery of the project). The project is expected to last 2 years.

The **Annual Procurement Report 2018/19** accompanies publication of this procurement strategy review. It identified a number of strengths but also areas where early improvement is required. These improvement areas are reflected in the actions from the review.

Strategy Objectives & Actions

The 4 Key Objective identified in previous procurement strategies remain:-

- 1. Maximising Efficiencies through Procurement
- 2. Procurement Capability Development
- 3. Development of Collaborative Opportunities
- 4. Fulfilment of Sustainable Procurement Duties

A number of ambitions are set out against each objective and, in turn, actions are identified, for the period of this strategy to achieve the required improvement.

Key Objective	1. Maximising Efficiencies through Procurement
Ambitions	1.1 Best Value Contracts
	1.2 Cost Savings
Actions	The main ambition for this objective of the strategy (and overall) is to develop and implement a whole council system to track the realisation of benefits by way in particular of efficiency / cashable savings achieved from all of our procurement activity. Systematic reporting / capture of savings (and other benefits) achieved through our local category C procurement (as well as our collaborative procurement as currently) is the key required improvement area for the period of this strategy and has to be committed to as a Council if it is to be successful

Ambition	1.3 e-Procurement.				
Actions	The Council's Change Programme project (EC003-03) for the review of its Purchase-to-Pay (P2P) transactional arrangements will take the				
	efficiency benefits offered by maximising e-Purchasing. It started in 2018/19 and is due to complete in 2020.				
Ambition	1.4 Management Information				
Actions	The Annual report shows good use of a range of management information on procurement. The one area of concern is the Council's corporate contracts register. Getting the contracts register operating correctly as a functional tool is a fairly fundamental requirement of effective procurement MI. Actions are therefore set out in the Annex 1 – Angus Council Procurement Strategy 2019/21 - Improvement Plan to address this requirement.				

Key Objective	2. Procurement Capability Development			
Ambition Actions	2.1 Knowledge & Skills If procurement capability is to be developed with particular reference to strategic and commercial approaches, a whole Council approach is needed to delivering appropriate training to relevant procurement staff			
	where required. Identifying and setting up the procurement team is an essential part of the Tayside Collaborative shared procurement service project so this outcome here is best addressed as part of that project.			
Ambitions Actions	2.2 Governance The evidence from the Annual procurement report 2018/19 offers assurance that this ambition is being met. Action will continue to ensure that this ambition continues to be met.			
Ambition Actions	2.3 Awareness. In broad terms this ambition is being met but with scope for improvement in relation to development needs assessment as for Ambition 2.1. The outcome here is best addressed for later years as part of the Tayside Collaborative shared procurement service project.			
Ambition Actions	2.4 Continuous Improvement The Council's PCIP assessment of band F5 in 2019 does show continuous improvement (an increase of 2 bands since 2017) but is disappointing in absolute terms and is below average amongst Scottish local authorities. Resolution requires adoption of a comprehensive improvement plan and commitment of the resource to achieve it. Previous attempts to apply that approach have failed because the Council has been unable to commit that resource. A new approach is required. The outcome here is best addressed for later years as part of the Tayside Collaborative shared procurement service project.			

Key Objective	3. Development of Collaborative Opportunities			
Ambition	3.1 Collaboration			
Actions	There is good evidence of Angus Council participation in a high			
	degree of available collaborative procurement. However, in terms of			
	spend, Angus Council's collaborative and non-collaborative spend for			
	2018/9 is split 20/80% in favour of non-collaborative, local activity. The			
	business case for the Tayside Collaborative shared procurement			
	service project is founded upon benefits accruing from increased			

	collaboration. Improved collaboration is a very high priority for the project. The outcome here is best addressed for later years as part of the project.
Ambition	3.2 Forward Planning
Actions	This ambition is being achieved. Angus Council produced a 2-year forward plan with its first annual report. It continues to be used to both inform and advise the supply community as early as possible of forthcoming Council contracting opportunities and to identify future collaboration opportunities. Improvement opportunities do exist in terms of how the Council and its partners use this forward planning to maximise collaborative opportunities. This improvement is best addressed as part of the Tayside Collaborative shared procurement service project. This is a high priority for the project.
Ambition	3.3 Communication
Actions	The evidence set out in the Annual procurement report 2018/19 indicates that Angus Council corporate procurement has a sound approach to communications and that this ambition is broadly being met (although there is always scope for continuous improvement). No specific improvement actions are proposed at this time.

Key Objective	4. Fulfilment of Sustainable Procurement Duties			
Ambition	4.1 Sustainable Procurement.			
Actions	The evidence is that:			
	 The Council has a sound policy and governance base to support achievement of this ambition. However, at the same time, it has to be recognised that the Council needs to improve at reporting achievement of its compliance with the sustainable procurement duty. The Improvement Plan attached to this strategy as Annex 1 proposes that, during the life of this strategy, we will pull together baseline information on the Council's sustainable procurement performance 			
Ambitions	and identify any problem areas for specific action. 4.2 & 4.4 Community Benefits			
Actions	Angus Council has a sound process in place to achieve and report on community benefits achieved from its procurement activity. Improvement continues in 2018/19 on the position reported for 2017/18. Collaboration both within the Council and with our Tayside partners is already evident and continues to develop. Future improvement is best addressed as part of the Tayside Collaborative shared procurement service project. This is a high priority for the project.			
Ambition	4.3 Local and Other Economic Support			
Actions	The data for performance on this measure indicates that Angus Council continues to "punch above its weight" and exceeds its ambitions in terms of the benefit it delivers to the local Angus economy from its procurement activity, particularly as a rural local authority. The Council Plan notes that this continues to be a priority. Performance on contracting with SMEs is also good. Whilst the data indicates that the Third Sector has limited involvement in Angus Council contracting, this accords with the Council's emerging strategy that resourcing of third sector bodies is (and should be) predominantly by way of grant funding. The Council makes limited use of Scottish Procurement's "Commodities Reserved for Supported Businesses" (Contract Reference – SP-18-11). In that light, monitoring will continue and no specific improvement actions are required for the duration of this strategy.			

Ambition Actions

4.5 Ethical Procurement - Action against Modern Slavery

From this year, it is proposed that Angus Council adopts the Coperative Party Charter Against Modern Slavery. It is in line with the Council's stance on ethical procurement as part of its sustainable procurement policy to take proportionate action to ensure that human exploitation has no place in Angus Council supply chains. The commitments undertaken by the Council in signing up to the Charter has been reviewed by the Council's Corporate Procurement Group who have not identified any undue impact from its implementation. Most of the actions can be subsumed into annual performance reporting arrangements, so mitigating the impact on Services. Actions are therefore set out in the Annex 1 Improvement Plan to implement the Charter commitments into Council procurement activity in a proportionate way.

A detailed improvement plan is set out as **Annex 1** to this strategy.

Conclusions

This review of the Council's procurement strategy concludes that:

- The key objectives and ambitions set out in previous procurement strategies remain the right ones for Angus Council with one addition this year in respect of combatting modern slavery in our supply chain.
- The Tayside Collaborative shared procurement service project and the P2P project are making progress and offer good prospect of contributing very significantly to the Council's procurement strategy
- Having regard to the strategic focus given by both the Council Plan and the Procurement Sounding Board MOG, the focus of improvement actions from this strategy on the following areas offers the best proportionate response to give effect to the review:
 - ❖ Delivery of a whole Council, all-procurement benefits realisation process
 - Implementing improvements to management of the corporate contracts register
 - Implementing improvements to sustainable procurement reporting
 - ❖ Adopting the Co-operative Party's Charter Against Modern Slavery and embedding actions to give effect to the commitments under the Charter

Part 1. Introduction

Foreword

Continuing this financial year 2019/20, a procurement strategy of up to 2 years has been prepared. This is in light of the Council's ongoing participation in activity with our neighbouring Tayside Councils to develop our procurement collaboration. This strategy will continue into 2020/21 when the next strategy review will be carried out.

Like other Scottish Councils, we continue to deal with rising demand, at a time when our core budget is reducing in real terms. This is also in the context of the refreshed Angus Council Plan 2019/2024 which highlights our ongoing commitment to our four strategic priorities:

- 1. Angus is a go to place for business
- 2. We want to maximise inclusion and reduce inequalities
- 3. We want our communities to be strong, resilient and led by citizens
- 4. We want Angus Council to be efficient and effective

Our Council Plan recognises the contribution procurement can make towards achieving our Best Value duty. By scrutinising procurement and contracts both in terms of their scale and scope, we will ensure best value for the public pound through better management of our contracts, as well as working with other councils to get the best deal for Angus.

Our 2019/21 Procurement Strategy builds on the Council Plan commitment we have made to developing how we approach our supply chains. It draws from the accompanying Procurement Annual Report 2018/19 and sets out how the Council will take the next steps to improving how procurement works for us and our citizens. Without losing sight of other priorities, it will help us ensure that our procurement offers the most it can towards achieving our savings targets in the coming financial years.

We would like to particularly acknowledge the input and support received from elected member colleagues and officials in the Procurement Sounding Board Member Officer Group for their work in contributing to this strategy review and helping to shape Angus Council's procurement vision to best meet the interests of our citizens in the coming years.

photo	photo		
Cllr Bob Myles	lan Lorimer		
Chair, Angus Council Procurement	Director of Finance		
Sounding Board member officer group			

November 2019

Purpose of the Council's Procurement Strategy

Section 15 of the <u>Procurement Reform (Scotland) Act 2014</u> requires any public organisation, which has an estimated total value of regulated procurement spend of £5 million or more (excluding VAT) in a financial year, to prepare and publish a procurement strategy. The period the procurement strategy covers can be defined by the organisation e.g. 3 years, 5 years, etc.

Where an organisation has an existing procurement strategy, there will be no requirement for it to prepare a completely new procurement strategy each year. An organisation must, however, review its procurement strategy annually and make such revisions as it considers appropriate for the purposes of the Act.

Angus Council, along with its Tayside collaboration partners Dundee City Council, Perth and Kinross Council and Tayside Contracts has embarked upon a project for the establishment of a full shared procurement for Tayside, taking the work done on establishing the Tayside procurement Consortium to its logical conclusion. That will be the strategic focus of the Angus Council and its collaboration partners until completion of the project, expected by the summer of 2021. It is appropriate therefore to continue to limit the duration of Angus Council's procurement strategy to 1 year.

This Procurement Strategy therefore sets out the strategic aims, objectives and key priorities of Angus Council for its procurement for 2019/20 and into the following year until the next strategy review is carried out. It draws upon reviews of the Council's Procurement Strategies in 2017/18 and 2018/19 and in particular the accompanying Annual Procurement Report 2018/19.

The Council's procurement aims and objectives reflect both national and local policies and our aim is to build on the devolved procurement model already in place in Angus Council, through commitment to continuous improvement and a focus on:-

- procurement capability development;
- maximising efficiencies through procurement;
- development of collaborative opportunities; and
- fulfilment of sustainable procurement duties.

This focus will directly impact on our ambition to transform Angus and improve the community we serve, by ensuring that sustainability in our procurement remains a priority and that all procurement activities contribute to the carrying out of the Council's functions and realisation of its strategic objectives, while achieving best value and complying with statutory and regulatory duties.

The achievement of best value is reliant on a clear Procurement Strategy, aligned to the delivery of services which promotes an integrated approach across the organisation.

In order to deliver the required outcomes of this Strategy there remains a need to implement changes and improvements to our ways of working and ensure that close partnerships exist within the Council and beyond.

Commitment and communication of this Strategy are key steps on the road to embracing best practice, achieving procurement effectiveness and delivering improved outcomes for the residents and wider community of Angus.

Procurement is a subject with a technical language. Although the Procurement Strategy has been written with plain English in mind, a Glossary of terms is included as an Annex to the Annual Procurement Report 2018/19 published alongside this revised Strategy.

Part 2. Background

2.1 Links to Angus Council Strategy & Objectives

Angus Council's community planning objectives are set out in the <u>Angus Local Outcomes Improvement Plan 2017-2030</u>. This sets out the following for Angus Council (in line with its community partners):

Our Vision	Angus is a great place to live, work and visit	
Our Priorities Tackling inequalities Building services around people and communities Focusing on prevention Working together effectively		
Our Cross- Cutting Themes	Economy People Place	
Our Local Outcomes	an inclusive and sustainable economy a reduced carbon footprint attractive employment opportunities more opportunities for people to achieve success an enhanced, protected and enjoyed natural and built environment the best start in life for children safe, secure, vibrant and sustainable communities a skilled and adaptable workforce improved physical, mental and emotional health and well being	

The Council's current corporate plan is now set out in terms of the <u>Angus Council Plan</u> <u>2019-2024</u>. In summary, this sets outs Angus Council's corporate strategy for period as follows:

Our	1. Angus is a go to place for business				
strategic	2. We want to maximise inclusion and reduce inequalities				
priorities	3. We want our communities to be strong, resilient and led by citizens				
•	4. We want Angus Council to be ef	ficient and effective			
Our	Economy People				
priorities	We want Angus to be a 'go to'	We want to maximise inclusion and			
	area for businesses.	reduce inequalities.			
	To do this we will:	To do this we will:			
	 engage with Angus businesses 	 intervene early to keep children 			
	through a regular programme to	and young people safe;			
	understand their needs and	provide educational and social			
	develop our services	experiences that stretch and			
	appropriately;work across Angus Council to	challenge our young people; help our young people go to			
	make it easier, quicker and	positive destinations – and sustain			
	better to do business and invest	them - when they leave school;			
	in Angus;	 work with Angus Health and Social 			
	 work with partners to improve 	Care Partnership to meet the			
	the physical and digital				

	infrastructure required to support business growth.	needs of vulnerable adults - and their carers.	
	 Place We want our communities to be strong, resilient and led by citizens. To do this we will: support planning in localities to identify the needs of our communities; support and equip our citizens to deliver on their local aspirations; increase the supply of affordable housing and improve the Council's housing stock. 	Council We want Angus Council to be efficient and effective. To do this we will: • focus on the needs of our customers; • be efficient and effective in meeting identified needs; • deliver our Change Programme.	
Our values	We will continuously seek to improve our services. We will act with honesty and integrity at all times. We will act responsibly and will be accountable for our actions.	We will do what we say and do it well. We will acknowledge when we get things wrong. We will promote equity and tackle discrimination and disadvantage.	

Specifically on procurement, we are scrutinising procurement and contracts both in terms of their scale and scope. We will ensure best value for the public pound through better management of our contracts, as well as working with other councils to get the best deal for Angus.

The Procurement Sounding Board Member Officer Group considered the matter of the Council's priorities for its procurement strategy and identified the following areas as being of importance and therefore of particular focus in the coming year:

- 1. Efficiencies were the top priority (efficiencies being sensible savings and best value) and we should implement a benefits tracking and realisation process to address this.
- 2. Where it was compatible with efficiencies, to aim to achieve what was best to ensure opportunity of access to Council contract opportunities for those local contractors who wished to do business with the Council.
- 3. Where barriers to collaboration exist, these be identified at as early a stage as possible and brought back to the Sounding Board for consideration.
- 4. Instances where collaboration had broken down should be reported to the Sounding Board at an early date.

2.2 Alignment with Tayside Procurement Partners

Since 2008, Angus Council has been a part of the Tayside Procurement Consortium (TPC) which was established as a shared services initiative to deliver procurement reform for the three Tayside Councils of Angus, Dundee City and Perth and Kinross.

The work of TPC is driven by its <u>Procurement Strategy 2015/20</u>, agreed by each of the constituent Councils. The TPC strategy pulls together the latest government initiatives and reflects, at a high level, the local Tayside priorities developed in line with the

principles of the strategic direction of the three Councils' Community Plans. The TPC model works effectively and the high level vision, strategic priorities and procurement principles set out in the TPC strategic plan for 2015-2020 are fully supported by Angus Council.

However, at this time and in view of the increasingly important role that strategic procurement plays in enabling each Council to deliver local economic, environmental and social benefits, it is appropriate for the Council to have its own specific procurement strategy to reflect the changes that the Council must make to the way in which it carries out its procurement activities. The Angus Council Procurement Strategy aligns to the TPC strategy and provides a framework for ensuring that procurement activities are closely linked to the Council's corporate priorities, that continuous improvement is achieved across all procurement activities, and that efficiencies to help the front line services are secured in a sustainable way.

As noted above, the 3 Councils and Tayside Contracts have embarked on delivery of a full shared procurement service for the Tayside councils, effectively taking TPC to its logical conclusion. Procurement and Commissioning is one of 10 areas of joint activity being looked at by the 3 Councils in Tayside and Tayside Contracts and it has reached a full business case stage. That full business case was considered by the Joint Executives group for the Tayside Councils and approved in December 2018. It is important to highlight that the focus of the proposal is not about reducing procurement headcount but rather about doing more with the combined resource. The "do things right, once" approach will enable us to eliminate duplication, focusing on delivering an efficient and customer friendly operational procurement service and, most importantly, on developing a much more strategically focused procurement service to support the high spend/high risk areas.

The delivery project commenced effectively in June 2019 with the appointment of a Strategic Programme Manager to the project by Scotland Excel (engaged by the Tayside procurement partners to support delivery of the project. The project is expected to last 2 years.

2.3 Financial Context

The Council's <u>Medium Term Budget Strategy</u> projections to 2022/23 indicate that there continue to be ongoing significant General Fund revenue financial shortfalls to be addressed. The base projection in September 2019 was as follows:

A table follows with 5 columns and 3 rows, row 1 is a header

	2020/21 £m	2021/22 £m	2022/23 £m	3 Year Total £m
Funding shortfall	14.3	11.2	9.5	35.0
% age Level of Savings Needed	6.2%	4.8%	4.1%	15.1%

Managing this position to minimise the impact on services and respond to new and changing demands requires the Council to raise its ambitions and strive to continually improve on the efficiency of services. A role exists for procurement activity to assist in addressing this. Realising cash savings from procurement which are capable of reducing revenue budget spend (as well as spend in other budgets) is therefore the top priority in this current strategy.

Angus Council's annual procurement spend is in the region of £106.7M per annum (£102.5M in 2018/19). The Annual Procurement Report 2018/19 (table 3, chart 3 and table 4) provides a breakdown of how that spend is made up by category and by service.

2.4 Legislative Context

As noted in the last strategy review, the procurement landscape in Scotland has changed dramatically in recent years. With the impact of suite of procurement legislation introduced in 2016 (the *Public Contracts (Scotland Regulations 2015*, the *Procurement Reform (Scotland) Act 2014* and the *Procurement (Scotland) Regulations 2016*), coupled with the financial and economic pressures the Council faces, the support of a well organised and adequately resourced procurement function is highly important, assisting Services in achieving best value whilst also adopting and implementing the legislation that governs public procurement.

2.5 Conclusions from the Annual Procurement Report 2018/19

The Annual Procurement Report 2018/19 accompanies publication of this procurement strategy review. The full conclusions are set out in the report but the executive summary conclusions, for ease of reference, are as follows:

- The picture overall is acceptable with a key highlight in respect of local supplier support and a number of areas offering improvement opportunity.
- Our key objectives are the right ones for Angus Council. However, they need to be prioritised further within themselves to provide focus for securing benefit now within available resources.
- To provide assurance that all possible savings have already been captured or maximised, benefits tracking and realisation needs to be adopted systematically across all Angus Council procurement. Along with maintenance of local supplier support, this has been identified as the priority for the coming year.
- The other improvement effort emphasis needs to be on strategic planning of procurement, demand management, challenge of need etc. at the beginning of the process and contract / supplier management post-tendering as that is where the greatest benefit lies.
- The Tayside shared procurement service is the right place to apply effort to achieve those other structural and strategic improvements.

Part 3. Strategic Aims, Objectives & Key Priorities

3.1 Our Key Objectives

This part of the Procurement Strategy sets out how, in the light of the strategic context set out in Section 2, the Council's procurement will:

- contribute to the carrying out of its functions and the achievement of its purposes (para 2.5.1 of the Guidance issued under the 2014 Act). This should include high level commercial targets and effective contract and supplier management.
- deliver value for money (a balance of cost, quality and sustainability) (para 2.5.2 of the guidance).
- be carried out in compliance with its duty to treat relevant economic operators equally and without discrimination (para 2.5.3 of the guidance).
- be undertaken in compliance with its duty to act in a transparent and proportionate manner (2.5.4).
- comply with the sustainable procurement duty (2.5.5)

In order to support delivery of the Council's vision and priorities and grouping the required coverage areas of the Procurement Strategy into coherent themes linked to the Council's vision and priorities, the Procurement Strategy sets out 4 Key Objectives:-

- 1. Maximising Efficiencies through Procurement
- 2. Procurement Capability Development
- 3. Development of Collaborative Opportunities
- 4. Fulfilment of Sustainable Procurement Duties

These Key Objectives contribute to the following local outcomes contained within the Angus Local Outcomes Improvement Plan 2017/30 and related Locality Plans:

- Local Outcome 1 We have a sustainable economy with good employment opportunities
- Local Outcome 10 Our Communities are developed in a sustainable manner

They also contribute to the following priorities contained in the Angus Council Plan 2017/22:

- We want Angus to be a 'go to' area for businesses
- We want Angus Council to efficient and effective

These Key Objectives are expanded on below with an explanation of how these will be met and the outcomes expected from achievement of these ambitions. It should be noted that these have been re-ordered slightly to reflect the changed priorities but otherwise continuity is maintained with previous versions of the strategy,

3.2 Key Objective 1 - Maximising Efficiencies through Procurement

Updated Context

The Council's top priority for this year of the strategy in light of the Council's Medium Budget Strategy and the need for delivery of early benefit from the Tayside project is to ensure that our procurement activity is delivering maximum efficiency / savings opportunity. As things stand (see the Annual Procurement Report 2018/19 which accompanies this strategy), we only report efficiency / savings achieved via collaborative procurement activity and not by our local procurement activity delivered by Services. That local procurement activity accounts for around 80% of our procurement spend. In line with the benefits realisation approach adopted by the Council's Change programme and a steer by the Council's Procurement Sounding Board member officer group, we wish to track the realisation of benefits by way in particular of efficiency / savings achieved from all of our procurement activity. Only then can we be assured that no opportunity provided by sound procurement activity is being overlooked.

Ambition 1.1 Best Value Contracts

To ensure that appropriate contracts are in place for all of the Council's requirements and that these deliver Best Value.

Ambition 1.2 Cost Savings

To identify cost saving opportunities.

To support Services in the identification and delivery of cost savings.

To realise financial and efficiency savings in the successful procurement of contracts, through proactive Contract and Supplier Management.

How those ambitions will be met

The main ambition for this objective (and overall) is to develop a whole council system to track the realisation of benefits by way in particular of efficiency / savings achieved from all our procurement activity that can reasonably offer measurable benefit. The improvement plan for this strategy forming Annex 1 sets out how we will achieve that ambition.

This will require:

- the development of contract strategies in some form in advance of procurement activities, to identify where savings can be made
- 3-way agreement of the saving / benefit by procurement, finance and budget holder
- the capturing of those projected savings (and other benefits) at that early projected stage understanding that they cannot be relied upon for budget savings (if applicable) until secured by contract award
- the identification of affected budgets to a sufficient degree that will allow realisation of the saving by budget reduction down the line
- tracking the saving benefit from target through projection to securing and into actualisation, updating the benefits realisation document at each stage.

Systematic reporting / capture of savings (and other benefits) achieved through our local category C procurement (as well as our collaborative procurement as currently) is the key required improvement area for the period of this strategy and has to be committed to as a Council if it is to be successful. That is not to say that procurement savings are guaranteed from this activity; rather that if we do not record or report them, we cannot hope to manage them.

Outcome 1 for this ambition is the focus for the current strategy. Outcomes 2 – 4 are to be addressed for later years as part of the Tayside Collaborative shared procurement service project.

Outcomes Expected

- 1. Achievement of targeted procurement cost savings.
- 2. Compliance with the Council's Standing Orders Relating to Contracts and Procurement Journey resulting in a reduction in non-contracted or "maverick" spend.
- 3. Embedded forward procurement planning within directorates
- 4. Continuous improvements evidenced against Service Improvement Plan key actions and towards the Scottish Government's annual Procurement and Commercial Improvement Programme.

Ambition 1.3 e-Procurement

To facilitate the modernisation of business processes across the Council through the implementation and development of electronic procurement solutions.

How that ambition will be met

The Council has embarked on a Change Programme project (EC003-03) for the review of its Purchase-to-Pay (P2P) transactional arrangements started in 2018/19 ad due to complete in 2019/20. This will take the efficiency benefits offered by maximising e-Purchasing by the Council (including e-Invoicing which must be in place by 18 April 2020) to their logical conclusion. This is managed as part of the Council's Change programme and improvement / action reporting is addressed there so it does not need to form part of the Procurement Strategy 2019/21 Improvement Plan. However, progress on this project will be noted as part of future Procurement Annual Reporting.

Future e-Commerce improvement ambitions such as fully effective use of the PCS Tender full tender and contract management system are most appropriately addressed by the Tayside Collaborative Share Procurement Service project.

Outcome Expected

1. Measurable and demonstrable improvements in the correct use of the electronic procurement systems available to the Council.

Ambition 1.4 Management Information

To utilise Management Information (MI) effectively ensuring that procurement operates according to our core set of indicators and measures for best practice.

How that ambition will be met

Through the maintenance and publication of information, from various performance management systems, to monitor progress against targets on efficiency, capability, collaboration, compliance and savings. The Annual Procurement report process is an example of that.

The proportion of procurement spend with suppliers on the Council's contracts register has shown a worrying decline over the past 3 years. It is believed (but not known) that this is down to poor maintenance regimes and not real maverick spend. A functional contracts register is a basic tool for the Council manage its contracts corporately and effectively. It can also assist with other important functions, e.g. GDPR compliance.

Getting the contracts register operating correctly as a functional tool is a fairly fundamental requirement of effective procurement MI. Actions are therefore set out in the <u>Annex 1 – Angus Council Procurement Strategy 2019/21 - Improvement Plan</u> to address this requirement.

The contracts register improvement activity is the focus for the current strategy. The rest of this outcome should be addressed for later years as part of the Tayside Collaborative shared procurement service project.

Outcome expected

1. Improved value from contract and supplier management

3.3 Key Objective 2 - Procurement Capability Development

Updated Context

As noted above, the Council's priority for this year of the strategy in light of the Tayside project is to ensure that our procurement activity is delivering maximum efficiency / savings opportunity. As such whilst the objective remains key, the Council expects that capability development will be delivered primarily through delivery of the Tayside Collaborative shared procurement service project.

Ambition 2.1 Knowledge & Skills

To use the knowledge and skills of our staff, in order to embed a more strategic and commercial approach into all of the Council's functions and purposes

How that ambition will be met

There is a lack of corporate assurance that the ambition to improve procurement knowledge and skills is being met. If procurement capability is to be developed with particular reference to strategic and commercial approaches, a whole Council approach is needed.

This ambition will be met by delivering appropriate training to staff where required, while nurturing and developing opportunities for integration and partnership between Strategic Procurement and other Services.

The outcome here is best addressed as part of the Tayside Collaborative shared procurement service project.

As noted in the Annual Procurement Report 2018/19, the capacity of the Procurement & Commissioning team to meet increasing and new demands is now an enduring issue but again this is best addressed by the proposed Tayside shared procurement service.

Outcome expected

1. Added value in all new procurement exercises and additional benefits through better management of existing contracts.

Ambition 2.2 Governance

To ensure that all procurement activities are undertaken in a consistent, robust, transparent and accountable manner, in accordance with all relevant governance.

How that ambition will be met

The evidence from the Annual procurement report 2018/19 offers assurance that this ambition is being met.

This ambition will be continue to be met by working together with the Council's Legal Services in adapting our internal procedures, processes and documentation to reflect the changes brought about by the implementation of the Procurement Reform (Scotland) Act 2014, The Public Contracts (Scotland) Regulations 2015 and The Procurement (Scotland) Regulations 2016.

Outcome expected

1. Compliance with statutory and regulatory requirements and mitigation of the risk of legal challenge.

Ambition 2.3 Awareness

To keep the Council up to date with the latest developments in the wider procurement environment and maintain an awareness of current cross-functional procurement practices.

How that ambition will be met

In broad terms this ambition is being met but with scope for improvement in relation to development needs assessment as for Ambition 2.1.

This ambition will be met by through continued adherence to the EU principles of equal treatment, non-discrimination, proportionality, transparency and mutual recognition while promoting equality by tackling discrimination and disadvantage and by working collaboratively with Tayside Procurement Consortium Scottish Procurement, Scotland Excel, the Crown Commercial Service and other local authorities or Public Sector organisations, to share knowledge and benchmark our performance.

The outcome here is best addressed for later years as part of the Tayside Collaborative shared procurement service project.

Outcome expected

1. Strategic Procurement is able to offer innovative procurement solutions.

Ambition 2.4 Continuous Improvement

To strive for continuous improvement in procurement, as measured by the Scottish Government's Procurement and Commercial Improvement Programme (PCIP).

How that ambition will be met

It is expected that this ambition will be me through continued participation in the PCIP assessment scheme the Council will identify, develop and implement best practice in procurement on an ongoing basis and gain a clear understanding of what is required to allow the Council to continue on an upward curve of procurement development.

The Council's PCIP assessment of band F5 in 2019 is disappointing and continues the below average ranking of Angus Council amongst Scottish local authorities. Resolution requires adoption of a comprehensive improvement plan and commitment of the resource to achieve it. Previous attempts to apply that approach have failed because the Council has been unable to commit that resource. A new approach is required.

The outcome here is best addressed for later years as part of the Tayside Collaborative shared procurement service project

Outcome expected

1. To use our Procurement and Commercial Improvement Programme score as a base score to enable us to focus on areas for further improvement and to be fully prepared for PCIP assessment

3.4 Key Objective 3 - Development of Collaborative Opportunities

Updated Context

As noted above, the Council's priority for this year of the strategy in light of the Tayside project is to ensure that our procurement activity is delivering maximum efficiency / savings opportunity. As such whilst the objective remains key, the Council expects that capability development of collaborative opportunities will be delivered primarily through delivery of the Tayside project.

Ambition 3.1 Collaboration

To identify and actively participate in all appropriate collaborative opportunities

How this ambition will be met

There is good evidence of Angus Council participation in a high degree of available collaborative procurement. However, in terms of spend, Angus Council's collaborative and non-collaborative spend for 2018/9 is split 20/80% in favour of non-collaborative, local activity.

The large majority of procurement spend is still addressed and managed by Angus Council staff applying a devolved procurement model. A business case has been prepared and approved by the Tayside Executive Group, the 3 Chief Executives of the 3 Tayside Councils, which makes the case for increased benefit being achieved by increased collaboration in Tayside. This formed the basis of the Tayside Collaborative shared procurement service project which initiated in June 2019. Use of the shared service should be mandatory for all procurement with only approved exceptions if the benefit identified by the business case is to be realised.

The outcome here is best addressed for later years as part of the Tayside Collaborative shared procurement service project. This is a high priority for the project.

Outcome expected

 Achievement of mutually beneficial results with our collaborative partners including economies of scale, a reduction in administration and the sharing of procurement best practices

Ambition 3.2 Forward Planning

To prepare forward plans to share with TPC and wider public sector to maximise collaborative opportunities.

How this ambition will be met

This ambition is being achieved. Angus Council produced a 2-year forward plan with its first annual report. It continues to be used to both inform and advise the supply community as early as possible of forthcoming Council contracting opportunities and to identify future collaboration opportunities. This will be continue to be available on Angus Councils "buyer profile" under the Public Contracts Scotland's website under the "Purchase Plans" tab at this link.

Improvement opportunities do exist however in terms of how the Council and its partners use this forward planning to maximise collaborative opportunities.

The outcome here is best addressed for later years as part of the Tayside Collaborative shared procurement service project. This is a high priority for the project.

Outcomes expected

1. Through an increase in engagement with Services, suppliers, local businesses, during the development stage of projects, ensure that all opinion and feedback is recorded and considered during contract execution.

Ambition 3.3 Communication

To improve on the level and methods of communication with all internal and external stakeholders.

How this ambition will be met

The evidence set out in the Annual procurement report 2018/19 indicates that Angus Council corporate procurement has a sound approach to communications and that this ambition is broadly being met (although there is always scope for continuous improvement). No specific improvement actions are proposed at this time.

Outcomes expected

- 1. Continuous improvement in the Council's procurement processes and practices, influenced by PCIP/ Internal feedback/Supplier feedback
- 2. A procurement strategy that is fully aligned with the Council's overall ambition and vision that can be implemented as intended

3.5 Key Objective 4 - Fulfilment of Sustainable Procurement Duties

Updated Context

As noted above, the Council's priority for this year of the strategy in light of the Tayside project is to ensure that our procurement activity is delivering maximum efficiency / savings opportunity. As such whilst the objective remains key, the Council expects that improvement of the Council's sustainable procurement performance will be delivered primarily through delivery of the Tayside project.

Ambition 4.1 Sustainable Procurement

To achieve improved standards of sustainable procurement throughout the Council, in accordance with the duties set out within the Procurement Reform (Scotland Act) 2014.

How this ambition will be met

The evidence is that:

- 1. The Council has a sound policy and governance base to support achievement of this ambition.
- 2. However, at the same time, it has to be recognised that the Council needs to improve reporting achievement of its compliance with the sustainable procurement duty.

The issue is not one of unwillingness or ignorance, it's one of priority. Embedding good procurement practice in all Council procurement and setting up systematic reporting requires staff time and resource. In the current climate this has not been considered to be a priority for Council Services.

The structural solutions to this ambition are:

- Through use of the Scottish Government's Sustainability Test tool, during the
 development of individual contract strategies, to identify where relevant and
 proportionate sustainability requirements can be embedded, including
 support for the Living Wage, during the development of contract
 specifications and tracking these during delivery of services through
 management information (MI), Contract and Supplier Management.
- Continuing to follow the Scottish Government's Sustainable Procurement Action Plan, in conjunction with statutory guidance, while updating our

progress against sustainability targets using the Flexible Framework self-assessment tool (FFSAT).

No action is not an acceptable option on this issue. However, in light of the previous difficulties experienced by the Council's procurement function in delivering on this ambition and in light of the other priorities identified in this strategy, it has to be accepted that a light touch, incremental approach to improvement has to be accepted here.

With that in mind, the Improvement Plan attached to this strategy as <u>Annex 1 – Angus Council Procurement Strategy 2019/21 - Improvement Plan</u> proposes that, during the life of this strategy, we pull together baseline information on the Council's sustainable procurement performance and identify any problem areas for specific action before we undertake embedding of the Sustainability Test tool and full application of the FFSAT. It is recognised that this is likely to have the result of making these more strategic / structural issues a problem for the emerging Tayside Collaboration shared procurement service to address.

Outcomes expected

- 1. Compliance with the Sustainable Procurement Duty of the Procurement Reform (Scotland) Act 2014, which requires that the Council makes every effort to improve the area in which it operates.
- 2. Measurable and demonstrable social, economic and environmental benefits to Angus communities from the effect of sustainable procurement activity.

Ambitions 4.2 & 4.4 Community Benefits

To develop established methods of evaluation and recording of community benefits in the execution of individual contracts.

To work in partnership with all Services, in line with the Council Plan, to ensure that we improve the way that we work as a Council in delivering services which benefit the area and communities we operate in.

How these ambitions will be met

Through Procurement's influence over Services to suggest how bespoke and relevant Community Benefits can be achieved in all procurement exercises over the stipulated thresholds with an increased focus on the recording and management of Community Benefits delivered using our Community Benefits register to promote and publicise benefits received as a result of procurement activity. The use of voluntary Community Benefits will also form part of ongoing Contract and Supplier Management processes.

Angus Council has a sound process in place to achieve and report on community benefits achieved from its procurement activity. Improvement continues in 2018/19 on the position reported for 2017/18. Collaboration both within the Council and with our Tayside partners is already evident and continues to develop.

There is scope for future improvement by:

- Broadening the scope of the procurement projects addressed in its community benefits in procurement policy and practice (subject to addressing any resource implications that may come with that);
- Developing its reporting process to capture all community benefits activity, including that by internal teams such as delivering / participating in "Meet the Buyer" events; and
- Considering the scope / case for specialist resourcing of community benefits management, possibly on a collaborative basis.

The outcome here is best addressed for later years as part of the Tayside Collaborative shared procurement service project. This is a high priority for the project.

Outcomes expected

1. Increased community benefits from our contracting.

Ambition 4.3 Local and Other Economic Support

To continue to support and improve access to procurement opportunities for SMEs, including local businesses, Third Sector Bodies and Supported Businesses.

How this ambition will be met

Through early consideration, either at contract strategy stage or through our knowledge of forthcoming collaborative opportunities (local or national), on how SMEs, local businesses, Third Sector Bodies and Supported Businesses can be made aware of public procurement activity, while promoting established business support initiatives such as the Supplier Development Programme.

The Annual Procurement Report 2018/19 sets out fully the Council's performance with:

- Local Suppliers (Table / Chart 5.1, Table 5.2)
- SMEs (Table / Chart 6.1)
- Third Sector Bodies and Supported Businesses (Table 6.2)

Outcomes expected

1. Removal of any barriers, real or perceived, which hinder SMEs, Third Sector Bodies and Supported Businesses to take advantage of business opportunities within Angus or the wider Public Sector.

Ambition 4.5 Ethical Procurement - Action against Modern Slavery

To take action against Modern Slavery and adopt the standards of the Cooperative Party Charter Against Modern Slavery.

How this ambition will be met

From this year, it is proposed that Angus Council adopts the <u>Co-operative Party</u> Charter Against Modern Slavery.

Modern slavery, human trafficking and exploitation is still present in the UK as it is worldwide. The UK Modern Slavery Act 2015 and the Scottish Human Trafficking and Exploitation (Scotland) Act 2015 contribute to tackling the issue but it is generally considered that concerted effort across government and civil society is required in addition to the criminal sanctions in legislation to:

- Help identify victims and support them to safety and recovery
- Identify perpetrators and disrupt their activity
- Address the conditions, both local and global, that foster trafficking and exploitation

The background to this campaign is that the Modern Slavery Act 2015, Section 54 along with the Modern Slavery Act 2015 (Transparency in Supply Chains) Regulations 2015 require private companies with a with a turnover of over £36M per annum to publish an annual statement setting out how they will keep modern slavery out of their supply chain. The Co-operative Party's Charter Against Modern Slavery goes further than existing law and guidance, committing Councils to proactively vet their own supply chain to ensure no instances of modern slavery are taking place. It is in line with the Council's stance on ethical procurement as part of its sustainable procurement policy to take proportionate action to ensure that human exploitation has no place in Angus Council supply chains.

The commitments undertaken by the Council in signing up to the Charter are that Angus Council will:

- 1. Train its corporate procurement team to understand modern slavery through the Chartered Institute of Procurement and Supply's (CIPS) online course on Ethical Procurement and Supply.
- 2. Require its contractors to comply fully with the Modern Slavery Act 2015, wherever it applies, with contract termination as a potential sanction for non-compliance.
- 3. Challenge any abnormally low-cost tenders to ensure they do not rely upon the potential contractor practising modern slavery.
- 4. Highlight to its suppliers that contracted workers are free to join a trade union and are not to be treated unfairly for belonging to one.
- 5. Publicise its whistle-blowing system for staff to blow the whistle on any suspected examples of modern slavery.
- 6. Require its tendered contractors to adopt a whistle-blowing policy which enables their staff to blow the whistle on any suspected examples of modern slavery.
- 7. Review its contractual spending regularly to identify any potential issues with modern slavery.
- 8. Highlight for its suppliers any risks identified concerning modern slavery and refer them to the relevant agencies to be addressed.
- 9. Refer for investigation via the National Crime Agency's national referral mechanism any of its contractors identified as a cause for concern regarding modern slavery.
- 10. Report publicly on the implementation of this policy annually.

This proposal has been considered and is supported by the Council's Corporate Equality Group. It has been reviewed by the Council's Corporate Procurement Group who have not identified any undue impact from its implementation. Most of the actions can be subsumed into existing procurement approaches and annual performance reporting arrangements, so mitigating the impact on Services.

Actions are therefore set out in <u>Annex 1 – Angus Council Procurement Strategy</u> <u>2019/21 - Improvement Plan</u> to implement the Charter commitments into Council procurement activity in a proportionate way.

Outcomes expected

1. Assurance is provided that Angus Council is using its procurement activity to enhance the social wellbeing of Angus in furtherance of its sustainable procurement duty (Section 9 of the Procurement Reform (Scotland) Act 2014).

Part 4. Governance, Legislation & Good Practice

This Section includes statements of the Council's general policy on:

- the use of community benefit requirements (para 2.5.6 of the Guidance issued by Scottish government under the 2014 Act)
- consulting and engaging with those affected by its procurements (para 2.5.7)
- the payment of a Living Wage to persons involved in producing, providing or constructing the subject matter of regulated procurements (para 2.5.8)
- promoting compliance by contractors and sub-contractors with the Health & Safety at Work, etc. Act 1974 and any provision made under that Act (para 2.5.9)
- the procurement of fairly and ethically traded goods and services (para 2.5.10)
- how it intends its approach to regulated procurements involving the provision of food to: improve the health, wellbeing and education of communities in the organisation's area; and promote the highest standards of animal welfare (if applicable) (para 2.5.11)
- other relevant procurement matters, e.g. good governance arrangements.

in line with the required content of a procurement strategy as set out in Section 15(5) of the Procurement Reform (Scotland) Act 2014.

4.1 Sustainable Procurement Duty

The Council's approach to sustainable procurement is rooted within the procurement process to promote a commitment to sustainability and achievement of Best Value for the Council. In an ongoing effort to embed sustainability issues in procurement exercises, three strands of sustainability should be explored at the contract strategy stage; environmental, social and economic factors along with a consideration on how the Council can facilitate the involvement of SMEs, third sector bodies and supported businesses in procurement exercises, as well as a promotion of innovation in the design and delivery of services.

This approach is in line with the Council's sustainable procurement policy which is adopted into this Procurement Strategy and is available online: https://www.angus.gov.uk/business/procurement/corporate procurement strategy and policy?item id=29

4.2 Community Benefit Requirements

The Scottish Government's Community Benefits in Public Procurement policy assists Procurement Officers in our ongoing ambition to embed Community Benefits into the procurement process where relevant and proportionate are realised.

Complementing the community benefits in procurement policy referred to above, Angus Council in partnership with Dundee City Council and Perth & Kinross Council

has prepared an internal toolkit of community benefits guidance, clauses and documents.

This is set out in Procurement Guidance Note (PGN) 35 <u>Community Benefits in Angus Council Procurement</u> (internal link only).

Angus Council has a published community benefits policy which is available online: https://www.angus.gov.uk/business/procurement/corporate_procurement_strategy_and_policy?item_id=33. In summary, it applies to construction procurement above the EU threshold the strong focus for now in on construction procurement.

4.3 Payment of a Living Wage

The Council follows the lead of the Scottish Government by promoting the payment of the Living Wage to persons involved in fulfilling procurement requirements by considering, where relevant and proportionate, when Fair Working Practices should be addressed in contracting opportunities. The Council will comply with the Statutory Guidance on the Selection of Tenderers and Award of Contracts – Addressing Fair Work Practices, including the Living Wage, in Procurement, in line with the Procurement Strategy's Key Objective 4 – Fulfilment of Sustainable Procurement Duties.

4.4 Procurement of Fairly and Ethically Traded Goods and Services

In line with the Procurement Strategy's <u>Key Objective 4 – Fulfilment of Sustainable Procurement Duties</u> and where ethically traded goods and services are available, the Council will work with all relevant stakeholders and take a Best Value approach when applying fair and ethically trading principles in procurement activities. Angus Council also works closely with Fairtrade partnerships to promote Fairtrade products and explore the differences that choices on the procurement of these ethically traded goods can make to the lives of others.

In addition, as set out in this report, the Council is proposing to adopt the <u>Co-operative</u> Party Charter against Modern Slavery.

4.5 Equalities in Procurement

To support Angus Council in meeting both its general equalities duties and its specific procurement equality duty, Angus Council has prepared an internal toolkit of procurement equalities guidance, clauses and documents.

This is set out in PGN 36 Equalities and Procurement (internal link only).

4.6 Ethical Standards

To support Angus Council officers and suppliers in meeting the Council's expectations as regards ethical standards and claims of bribery and corruption, Angus Council has prepared a Bribery Act 2010 policy statement:-

https://www.angus.gov.uk/business/procurement/corporate_procurement_strategy_and_policy?item_id=30

supplemented by internal officer guidance:-

PGN 30 <u>Guidance On The Bribery Act 2010 - What Does It Mean For You as a Council Purchaser?</u> (internal link only).

4.7 Procurement Tools & Good Governance

The Council has embedded good governance arrangements and the use of key tools into the procurement process, which help contribute to compliance with the mandatory requirements under the Procurement Reform (Scotland) Act 2014.

4.7.1 Financial Regulations

The Council's Standing Orders Relating to Contracts set out how contracts for all goods, services and works will be made by the Council. The purpose of these Standing Orders is to ensure that contracts are appropriate for their purpose, provide the right balance between price and quality, and are procured in an open way that demonstrates probity and compliance with the Council's policies. These Standing Orders are set out in Section 16 of Financial Regulations (Procurement Arrangements). https://www.angus.gov.uk/media/financial_regulations.

These Financial Regulations provide a governance framework to ensure that Council procurement is legal, properly authorised, and provides best value. In particular, they address:

- The application of the Employee Code of Conduct (FR16.5)
- Expectations around Collaboration (FR 16.6)
- Procurement authority (FR 16.8) by Committee, including the required strategic content of procurement authority reports or where delegated to chief officers (Appendix 1)
- Advertised tenders (FR16.10, Appendix 1) -v- pre-selected quotes (FR 16.23)
- Contracts Register (FR16.20)
- "Exemption" from Non-Competitive Action (FR16.24)

4.7.2 Procurement Journey

The Scottish Government's <u>Procurement Journey</u> supports all levels of procurement activity and helps to manage the expectations of stakeholders and facilitate best practice and consistency across the Scottish Public Sector.

This is complemented in places by additional "local" Angus Council procurement guidance to sit alongside the Procurement Journey, e.g.

PGN 23 Financial Regulations Guidance on "Major Procurement"

PGN 24 <u>Financial Regulations Guidance on "Price/Quality Split"</u>; 70/30% price/quality split departure request form

PGN 26 Financial Regulations Guidance on Financial Evaluation of Suppliers

- Quick Guidance

Angus Council Procurement Strategy 2019/21 - Full Guidance PGN 27 <u>Disposal of Surplus Assets</u> (all internal links only).

Part 5. Conclusions

The Annual Procurement Report 2018/19 report draws a number of conclusions whicj are summarised earlier in this review. In that light, this review of the Council's procurement strategy shows that:

- The key objectives and ambitions set out in previous procurement strategies remain the right ones for Angus Council with one addition this year in respect of combatting modern slavery in our supply chain. They focus attention on key improvement areas. However, they need to be prioritised further within themselves to provide focus for securing benefit now within available resources.
- The Tayside Collaborative shared procurement service project and the P2P project are making progress and offer good prospect of contributing very significantly to the Council's procurement strategy. Other improvement effort emphasis needs to be on strategic planning of procurement, demand management, challenge of need etc. at the beginning of the process and contract / supplier management post-tendering as that is where the greatest benefit lies. The Tayside shared procurement service project is the right place to apply effort to achieve the identified structural and strategic improvements.
- Having regard to the strategic focus given by both the Council Plan and the Procurement Sounding Board MOG, the focus of improvement actions from this strategy on the following areas offers the best proportionate response to give effect to the review:
 - Delivery of a whole Council, all-procurement benefits realisation process
 - Implementing improvements to management of the corporate contracts register
 - ❖ Implementing improvements to sustainable procurement reporting
 - Adopting the Co-operative Party's Charter Against Modern Slavery and embedding actions to give effect to the commitments in that Charter.

Annex 1 - Angus Council Procurement Strategy 2019/21 - Improvement Plan

See separate Annex 1 document