

ANGUS COUNCIL

POLICY & RESOURCES COMMITTEE – 12 MARCH 2024

ANNUAL PROCUREMENT REPORT 2022-23

REPORT BY JACKIE BUCHANAN, DIRECTOR OF LEGAL, GOVERNANCE & CHANGE

1. ABSTRACT

- 1.1 This report presents the Council's statutory annual procurement report under the Procurement Reform (Scotland) Act 2014 and recommends that the Annual Report is now published, and the necessary return made to Scottish Ministers.

2. ALIGNMENT TO THE COUNCIL PLAN AND COUNCIL POLICIES

- 2.1 This report contributes to the following priorities contained in the Angus Council Plan: -
- That Angus is 'go to' area for businesses
 - That Angus Council is efficient and effective

3. RECOMMENDATIONS

- 3.1 It is recommended that the Committee:

- (i) notes the Angus Council Annual Procurement Report 2022/23 which is annexed as Appendix 1 to this report; and
- (ii) authorises the Director of Legal, Governance and Change, or her representative, to publish the Annual Report on the Council's website and to provide the necessary return on the Annual Report to Scottish Ministers in line with Section 15 of the Procurement Reform (Scotland) Act 2014.

4. BACKGROUND

- 4.1 Section 15 of the Procurement Reform (Scotland) Act 2014 (the "2014 Act") requires any public organisation, which has an estimated total value of regulated procurement spend of £5million or more (excluding VAT) in a financial year, to prepare and publish a procurement strategy and to publish an annual report on its procurement performance against that strategy. This report presents that Annual Report for 2022/23.
- 4.2 The last Annual procurement Report was reported to Policy & Resources Committee in October 2022 in respect of the period from 1 April 2021 to 31 March 2022 (Report No.89/22 refers).

5. CURRENT POSITION

- 5.1 Officers are advised that this report is purely to meet a statutory obligation with the Scottish Government. A report more in keeping with Angus Council's own performance indicators, with a focus on matters of importance to Angus – such as involvement of local supply base, SME spend etc – will be provided separately.
- 5.2 As the procurement function moves forward with its plans to be a proactive, data led support function, the following developments will be hugely beneficial in harnessing the potential benefits this could bring:
- New Procurement Standing Orders, approved at Full Council in Dec 2023 – implementation in progress for going live for the new Financial Year.

- There are a number of approved posts within the Corporate Team using existing budget which shall soon be taken to market. Once filled, these members of the team will greatly support both the identification and realisation of savings and efficiencies, but also the drive for added value for the citizens of Angus via the Council's third party spend.
- The Procurement & Commissioning function, in its newly strengthened position, will continue with its planned programme of Education, Enablement & Efficiencies identification as outlined to this committee previously (Report No. 223/22 refers). This will improve compliance, reduce inefficiencies, duplication and wastage whilst developing a stronger Council-wide appreciation of the role appropriate procurement plays in adding value for all.

6. PROPOSALS

- 6.1 It is proposed that Committee notes the Angus Council Annual Procurement Report 2022/23 and agrees that the report will be published on the Council's website and the necessary return on the Annual Report will be notified to the Scottish Ministers in line with the Council's duties under Section 15 of the Procurement Reform (Scotland) Act 2014.

7. FINANCIAL IMPLICATIONS

- 7.1 There are no financial implications for the Council arising directly from approval of the recommendations set out in this report.

8. RISK MANAGEMENT

- 8.1 Relevant areas within the Corporate Risk Register include:

- *Information Governance - A lack of consistency in operational delivery of information governance & implementation of information governance policies could expose the council to an information breach and/or Information Commissioner intervention and substantial financial penalties*

The future plans as set out in the Annual procurement Report will support the attainment of consistent data collation and use across the Council with regards its 3rd party expenditure activity.

- *Performance Management - The council does not manage or report its performance in all the areas that are important to internal and external stakeholders and therefore does not monitor performance against priorities and outcomes.*

The report addresses the Councils' performance against statutory procurement legislation.

- *Transforming for the Future - The council fails to transform its service delivery sufficiently to meet future demands and priorities while working within its budget constraints and rising costs.*

The future plans as set out in the Annual procurement Report will support the Council identify what the future plans for the Procurement Function are and how these will support the necessary changes in service delivery to meet the needs of the Council moving forward.

9. ENVIRONMENTAL IMPLICATIONS

- 9.1 There are no direct environmental implications arising from the recommendations of this report, however through the education & enablement workstreams of the wide procurement strategy there will be a greater focus on environmental considerations within the council's third party procurement activity in the future.

10. EQUALITY IMPACT ASSESSMENT, HUMAN RIGHTS AND FAIRER SCOTLAND DUTY

- 10.1 A screening assessment has been undertaken and a full Equality Impact Assessment is not required for the following reason(s): - The subject matter of this report is technical in nature.

11. CONSULTATION

- 11.1 The Director of Finance and the Director of Legal, Governance & Change have been consulted in the preparation of this paper.

NOTE: No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

REPORT AUTHOR: Alison Gallacher, Manager - Procurement and Commissioning
EMAIL DETAILS: GallacherA1@Angus.gov.uk

List of Appendices:

- Appendix 1 – Annual Procurement Report 22.23
 - Annex 1 – Procurement Strategy Workstreams
 - Annex 2 – Annual Procurement Reporting Requirements
 - Annex 3 – SXL Participation
 - Annex 4 – Contract Register