



**Annual Procurement Report 2022-23**

# **Angus Council Annual Procurement Report 2022-23**

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# Angus Council Annual Procurement Report 2022-23

## Section 1 - Summary and Background

The Angus Council Annual Procurement Report 2022-23 covers the Council's procurement activity from 1 April 2022 to 31 March 2023. The annual report records and publicises the Council's performance and achievements in delivering its procurement strategy, including the reporting of procurement exemptions. This report has been produced in accordance with the guidance issued by the Scottish Government.

In recent years there have been a number of changes impacting the Council's procurement activities – both internal and external to the Council. Under a new Procurement Manager, the function is taking on a much more proactive position within Angus Council. To achieve this, in less than 2 years the team has undergone a period of rapid expansion and has increased from 8.5FTE to 15 FTE. Part of this has been as a direct result of the restructure initiated from the retirement of Vivien Smith (Director of Strategic Policy, Transformation & Public Sector Reform). This saw the transfer into the procurement family of the Strategic Commissioning team. Having worked closely in the past, this has been a welcomed move which allows a more logical approach to maximising our indirect procurements and strategic alliance relationships.

Whilst part of a positive programme of work, this expansion has not been without its challenges and there is much work still to be done (and posts to be filled) before the full benefits of a proactive, data led Procurement & Commissioning function can be realised. The design is for the team to proactively support Services in their procurement planning via early oversight of proposals, thus allowing opportunities for savings &/or efficiencies to be realised.

This early oversight is crucial as Angus Council operates a devolved model of procurement whereby it is the responsibility of individual Services to undertake their own procurement activities in accordance with the Council's Financial Regulations and Procurement Guidance available on the Councils' intranet or from the Procurement & Commissioning Team direct. Approval from full council in December 2023 to introduce a new set of Procurement Standing Orders will aid this supporting role as well as providing a more appropriate framework for the services to operate against, in this devolved capacity.

Within the wider procurement landscape, the effects of Covid-19 are unfortunately still being felt in the backlog of framework activity from the likes of Scotland Excel. The impact of Russia's invasion of Ukraine is continuing to impact the availability and pricing of goods & fuels, as is the unrest in the Middle East and disruption to popular shipping lanes.

Whilst financial support provided by the Government to social care providers in their response to Covid restrictions has now ceased, and thus the work associated with processing such claims, the continuing uncertainty around the National Care Home Contract is a concern. CoSLA continue to work with SXL to try and negotiate a deal with Scottish Care and its members but the lack of funds with which to negotiate is an impacting factor. A collapse in negotiations was narrowly avoided for 2023/24 but work for 24/25 is already proving difficult. As a contingency Angus Council, in partnership with the Angus Health & Social Care Partnership, are working with our Tayside neighbours on a local approach in case negotiations at a national level are unsuccessful.

# Angus Council Annual Procurement Report 2022-23

## Angus Procurement Strategy 2022-23

The Angus Council Procurement Strategy has 3 key workstream which are aligned to the crosscutting themes of the Angus Council Plan/Corporate Plan, especially that of the “Economy”:-

### 1. Education

As Angus council promotes a devolved procurement model, it’s important all those undertaking activities involving third party expenditure do so with the appropriate knowledge and understanding of their responsibilities. Lack of understanding or awareness can not only be costly to the Council, through poor value contracts, but also leaves us vulnerable to challenge, compliance issues and other consequences of unfavourable contractual terms etc. By providing this education we can support Audit in their drive for a structured programme of delegated procurement authority and look to mitigate areas of procurement risk.

### 2. Enablement

By providing those with delegated procurement authority the appropriate resources we can minimise the risk of poorly conducted procurements resulting in mismatching specs, unsatisfied requirements, wastage in terms of both finance & time and missed opportunities to exert influence in areas that the Council, as a public body, has a duty to lead on – community benefits, climate action initiatives, circular economy opportunities, supporting our local economy etc. Appropriate and accessible self-service support will also allow the small Procurement team to focus on influenceable areas of targeted efficiencies.

### 3. Efficiencies

Through more structured education and support, the Procurement function can close the gap on many risk areas associated with the transactional aspect of procurement – i.e., those most commonly undertaken by the council services themselves under their delegated powers.

However, by looking to the added value aspect Procurement as a discipline can bring, analysis of spend data and trends across the whole Council, and in conjunction with our Tayside Colleagues via links with the Tayside Procurement Consortium (TPC), this is where efficiencies can be identified. This involves changing how we do things as opposed to just doing what we do smarter, which the first two strands address.

By becoming a more data led function, Procurement can use this information to engage in more meaningful discussions with Service Leads about their future plans. As well as checking that current spend is being done as efficiently as possible via appropriate use of frameworks, realisation of correct pricing, capture of all available community benefits etc, this wider oversight would bring about opportunities which individual services would not be aware of in isolation.

This hybrid approach of educating and supporting the devolved model whilst working directly with services to realise benefits identified through this data led approach is the best way in which the Procurement & Commissioning service can support the Council in the achievement of efficiencies necessary to deliver what is required of it into the future.

Please refer to Annex 1 for more information regarding these workstreams.

# Angus Council Annual Procurement Report 2022-23

## Section 2 – Purpose of this Report

The Procurement Reform (Scotland) Act 2014 requires a public contracting authority, such as Angus Council, to prepare and publish an annual procurement report on our regulated procurement activities as soon as reasonably practicable after the end of their financial year.

This is Angus Council's fifth annual procurement report under the 2014 Act. Angus Council having adopted a culture of annual procurement performance reporting in advance of the 2014 Act. Previous reports can be accessed at this [link](#). This fifth statutory annual procurement report for Angus Council covers the period from 1st April 2022 to 31st March 2023.

It is intended to:

- Aid visibility of procurement activities;
- Be a mechanism for conveying how the Council is meeting legislative procurement requirements;
- Outline how the Council's procurement activity is contributing to the delivery of its broader aims and objectives; and
- Address performance across all of the matters contained in the Council's procurement strategy.

Its publication is also consistent with the aims of Scottish Procurement's "[Open Contracting Strategy](#)" with a view to procurement information being proactively provided in a coherent, consistent form that is easy to understand for communities, the third sector and citizens.

The minimum content of an annual procurement report is prescribed by Section 18(2) of the 2014 Act although authorities may add to that minimum content if it so chooses. Whilst addressing these core minimum requirements, this report is designed to give a full and accurate picture as to the current procurement position within Angus Council. The detail surrounding the set minimum content is set out in Annex 2 to this report for ease of reference.

The content of this report is therefore driven by these statutory reporting requirements with further, more topic specific areas being addressed via quarterly updates to CLT and via ad hoc reports as and when required.

As touched on above, there is a link between this annual procurement report and the Council's organisational Procurement Strategy. Figure 4 overleaf sets out graphically how the organisation's annual procurement report preparation and procurement strategy review cycle can work together to support increased transparency and visibility of public procurement and help to embed relevant and proportionate sustainable procurement within Scottish public sector procurement.

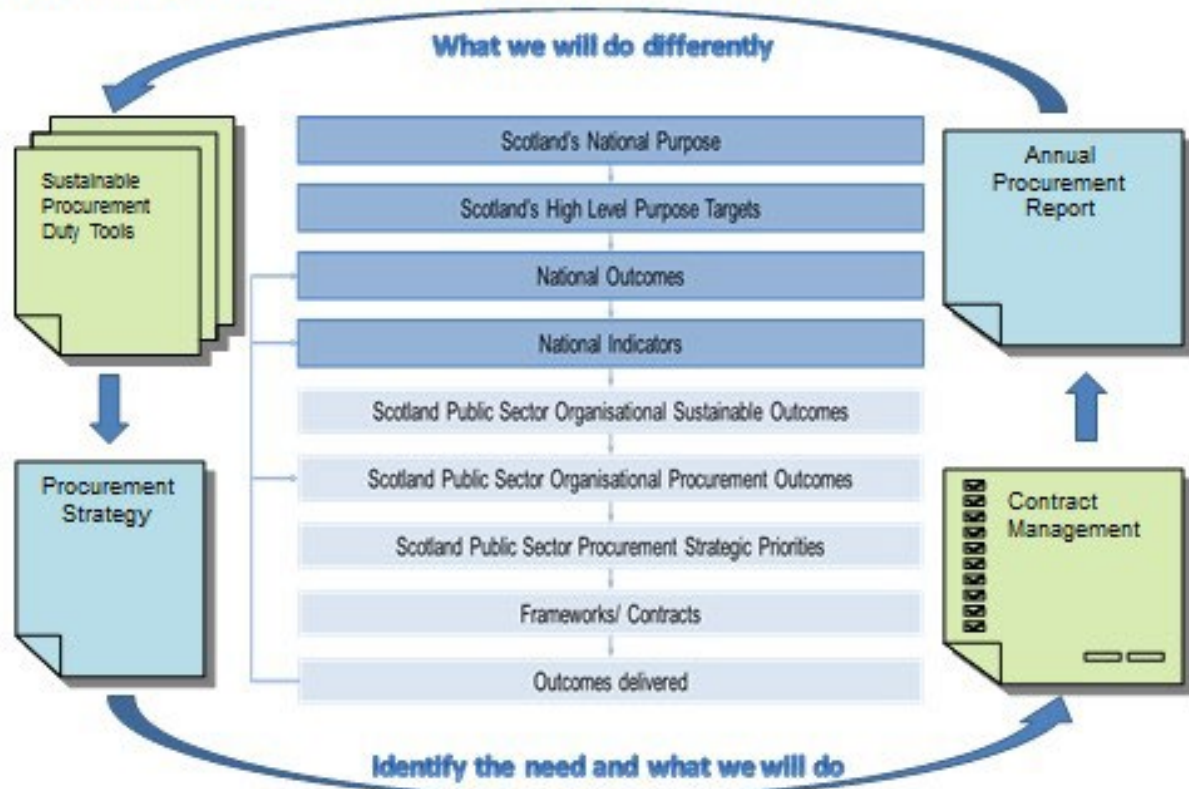
The principle of transparency requires an organisation to approach its public procurements in an open and inclusive manner. Publishing data on and an analysis of our procurement activity is considered to be helpful in demonstrating that the organisation is acting in a transparent manner and in highlighting its general procurement performance during the course of the year.

This part of the report analyses data on the Council's procurement activity for the year, some of which is also referred to in assessing performance against our procurement strategy in the succeeding part of the report.

# Angus Council Annual Procurement Report 2022-23

Fig. 1

## Embedding Relevant & Proportionate Sustainable Procurement



The data used in this part of the report is sourced from the Public Contracts Scotland, Scotland Excel, the Scottish Procurement Information Hub (SPIKES Observatory) and the Council's own records.

The spend and contracting figures throughout this report include spend and contracting by / on behalf of the Angus Integrated Joint Board (IJB), the Angus Health and Social Care Partnership. Angus Council undertakes contracting for the IJB as it doesn't have the legal powers to do so. Angus Council also manages transactional purchasing for the IJB. The position is different for other arms-length contracting organisations such as Tayside Contracts and ANGUSalive who are responsible for, and report on, their own contracting arrangements.

# Angus Council Annual Procurement Report 2022-23

## Section 3 – Procurement & Commissioning Resource

### Internal

During the period in question the Procurement & Commissioning Function was about to comment currently experiencing a period of rapid growth, with positions as yet successfully filled but identified as vital as part of the overall strategic vision for the function moving forward.

Angus has a core procurement team made up of the following officers: -

Fig. 2

<b>Corporate &amp; Procurement Management</b> 1 LG14 Manager - Procurement and Commissioning	
<b>Corporate Procurement</b>	<b>Commissioning Team</b>
1x LG12 Procurement Team Leader	1x LG12 Social Care Procurement Team Leader
1x LG9 Contracts Officer	3.5x LG9 Contracts Officers
1x LG6 Procurement Officer	
<i>Future – 2x LG9 Contracts Officers</i>	
<i>Future – 1x LG9 Procurement Data Analyst (temp)</i>	
<i>Future – 1x LG9 Community Benefits Officer (temp)</i>	

Whilst the current resource available within the Corporate Procurement team is not appropriate to move from the current reactive positioning to that of a proactive, date led service, agreement has been made to strengthen the team with 2 further Contracts officers, thus allowing a category approach to be implemented. This has been in response to the revised Tayside Procurement Consortium (TPC) model (detailed below) and will also support the closer collaborative drive for efficiencies across the Tayside partnership.

Going forward provision has also been made for 2x 2yr temporary FT posts within the Corporate Team; an LG6 Data Officer and an LG9 Community Benefits & Sustainability Officer. These postholders will support the Corporate Team in their drive to identify and realise additional value for Angus Council, and its communities, from its third party spend.

### Tayside Procurement Consortium (TPC)

During 2021/22, as in previous years, Angus Council paid for access to the collaborative resource the TPC, which is shared with Perth and Kinross and Dundee City Councils (typically £85,000 per annum). This delivery model ceased Q2 2022/23. The Head of Procurement left at the end of Q2 2021/21 and was closely followed by a Category Manager. By the end of 2021/22 the TPC consisted of just one Category Manager with no direct strategic management so the benefits to Angus Council at this point were limited and all parties required to decide on a refreshed model.

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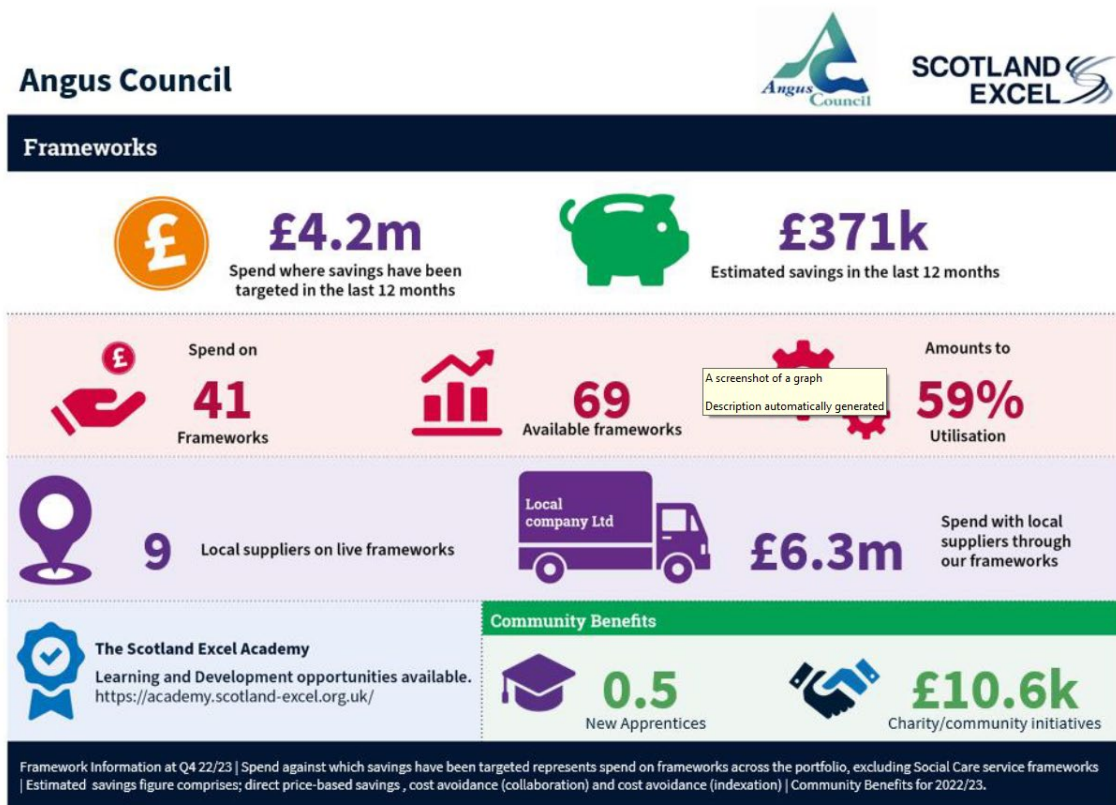
## Scotland Excel (SXL)

Angus Council paid Scotland Excel £97,648 (£92,786 for Corporate Contracts & £4,862 for the specialist National Care Home Contract) for membership in 2022/23. This was for access to contracts and frameworks with leveraged economies of scale due to being available for all councils to access.

As reported by Scotland Excel, the savings Angus Council have benefited from as a result of using their frameworks amounts to £371k against open market pricing and £81k target savings. In addition to economies of scale, being able to access these contracts allows us to utilise our procurement resource on Angus-specific contracts, reducing spend on resource within Angus and also allowing us quick compliant routes to market when we have urgent requirements that otherwise we wouldn't be resourced to service.

Our total spend via SXL frameworks for 2022/23 was £10.7 million, via utilisation of 41 frameworks. To put it into context – for Angus Council alone to set up and manage this level of tenders just for us would require a huge increase in staff numbers, at least 7 dedicated FTE, vastly outweighing the cost paid for our annual membership. However, this increase in total spend is predominantly a result of price increases and the level of framework utilisation has slipped by 25% (down from 55 in 2021/22) thus highlighting the need to maintain continued pressure on SXL to produce frameworks of relevance and value to Angus.

Fig. 3





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The success of SXL frameworks depends on our involvement and input when these are being set up. We still have a responsibility to liaise with the local market to make them aware of the opportunities and support them with the process; as well as ensuring the proposed framework structure, specifications and evaluation criteria reflects the needs of Angus. We also need to ensure we are maximising our use of the frameworks so increasing awareness and participation will be a key component of Angus' collaborative strategy moving forward.

It is also worth noting that the Angus local supply base benefits greatly from the opportunity SXL affords them by providing a window to the wider public sector market. In the past year 9 businesses local to Angus benefited via £6.3m of spend from other local authorities through Scotland Excel frameworks. This is consistent with the latter half of 2021.22 which saw a drop in frameworks with local supplier participation. Unfortunately, due to a programme of framework amalgamation, the opportunities for local supplier to participate in SXL framework is under threat – thus highlighting the need for Angus Council to continue to exert pressure on SXL to deliver frameworks meeting the requirements of Angus. A breakdown of Angus Council's participation with SXL frameworks during 2022/23 is given in Annex 3.

Where appropriate, Scotland Excel monitors contract pricing against market pricing on an ongoing basis. This is typically carried at an individual framework level, using a range of market indices that accurately reflect the key cost drivers of the goods or services provided. Where this has been measured against the relevant frameworks in which Angus Council has participated, it is estimated that a saving of £79,652 has been secured against market movement.

Cost avoidance\* for the last five years for Angus Council is outlined in Fig. 3 below. These figures represent the average efficiency saving in the financial year through participation in Scotland Excel frameworks instead of running individual tendering exercises.

Fig. 4

<b>Cost Avoidance Financial Year</b>	<b>21-22</b>	<b>22-23</b>
<b>Cost Avoidance Per Council</b>	£117,900	£210,000

\*Cost Avoidance calculation - the number of new and renewed Scotland Excel frameworks that went live in the financial year is multiplied by the average number of councils participating in those frameworks then multiplied by £12,000 (a figure used by Scottish Gov to estimate the end to end cost to complete a procurement exercise). This sectoral figure is then allocated evenly across the 32 local authorities.

To try and control membership costs going forward, SXL have commenced a model whereby frameworks with a rebate provision (where there was none before) have any such rebates paid directly to SXL as opposed to going to the individual Authorities themselves. The hope is that this will enable the annual membership fee to be frozen at current rates.

Tayside Contracts provide services for Angus Council and as an Associate Member of SXL they also benefit from SXL frameworks. Below is a summary of Tayside Contact's participation, spend and savings via such frameworks. Using an approximate figure of 28% to identify the Tayside Contracts spend affiliated with their service delivery in Angus, this is given in the final column.

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Fig. 5

Year	No. of Frameworks utilised	Total Spend	Estimated Annual Savings	Total Spend (Angus pro rata)	Estimated Annual Savings (Angus pro rata)
2021/22	23	£11.1m	£61.3k	£3.1m	£17.2k
2022/23	21	£13.9m	£13.7k*	£3.9m	£1.1k

\*The categories of spend typically involved between SXL and Tayside Contracts have been particularly affected by global supply chain issues / price increases – those centred around food and chemicals – thus affecting both the costs and opportunities for savings involved.

### Other Framework Providers

In addition to the SXL model there are a number of other compliant framework providers via whom we can compliantly award contracts. The use of an existing framework, and the selection thereof should always form part of an educated and recorded options appraisal process.

Whilst SXL is the only one we pay an upfront membership fee for, others will have different funding models with perhaps levies payable by suppliers which ultimately work into our invoices. On the flip side frameworks can sometimes deliver direct rebates also. When assessing the use of a particular framework, the value of any attributable rebate should not form part of a material consideration as this is of course not yet banked funds. Upfront value for money based on market pricing is always the preferred indicator for financial evaluation purposes.

During 2022/23 Angus Council Housing Revenue Account (HRA) benefited from a rebate of £64,954 in relation to spend via a Scottish procurement Alliance (SPA) framework.

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## Section 4 – Summary of Regulated\* Procurements

*For the purposes of this section, a regulated procurement is completed when the award notice is published or otherwise comes to an end.*

Angus Council's procurement spend in 2022/23 was £184.5m. It should be noted that this includes that of the Angus Health and Social Care Partnership, but as they operate as separate entities, the Tayside Procurement Consortium (TPC) and ANGUSalive tender data is recorded separately. Annex 4 provides an overview of Angus Council's current Contract Register.

Fig. 6

Procurement Activity Metric	2022/23
No. of Regulated Procurements Undertaken	14
No. of Regulate Contracts still to be Awarded	5
Av. No. of Bids Received	4.8
No. of Awards published with a £nil value	12
No. of Non-Regulated Procurements	86
Total Value of Regulated Contracts Awarded	£2,547,542

\*Regulated procurements are those above a threshold as set out within legislation and require conformance with the Act. At present the regulated thresholds are £50k for Goods and Services, £2m for Works.

This data highlights the need for improved education and awareness among delegated procurers as to the requirement for publishing contract awards and providing the requested data, not just the bare minimum. Without this we cannot accurately assess the Function's performance and identify areas for improvement.

Aside from the inaccuracy born from lack of appropriate reporting, a worrying trend is the typically low number of submissions received for each tender. Not only does this result in a lack of confidence around the competitiveness of the successful submission but it also may indicate a lack of participation & engagement by local suppliers – an area we are keen to develop.

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## Section 5 – Compliance of Regulated Procurements

**A review of whether those procurements complied with the contracting authority's procurement strategy.**

Within Angus Council, all procurements must satisfy internal governance by seeking committee approval when they are in excess of the regulated thresholds. However, in some instances a procurement can be deemed internally non-compliant but still compliant with legislative regulations. This is usually where our internal regs stipulate the value of such dictates published tender process be undertaken – whereas the circumstances of the case dictate that the procurement may be exempt from the regs themselves or a negotiation without prior notification may be appropriate.

Of the 14 Regulated procurements undertaken in 2022/23, 5 were deemed non-compliant by Angus Council's internal governance procedures. However, of these only 2 were actually non-compliant as per external procurement legislation. In each case committee agreed that, having assessed the risks, given the extenuating circumstances of each case, as undesirable as it may be, for safety and continuity of service, a non-compliant continuation with the incumbent was the right things to do.

As part of the committee approval process, the Procurement Authority Report (PAR) requires procuring officers to specifically link their proposal back to the key themes of the Council's annual plan itself and state how the proposal aligns with, and support, this theme.

## Section 6 – Statement of Non-Compliance

**To the extent that any regulated procurements did not comply, a statement of how the contracting authority intends to ensure that future regulated procurements do comply.**

Whilst an internal exemptions form must be completed at Director level for all non-regulated procurements which don't follow internal governance procedures, a certificate of non-compliance is being introduced in 2023/24 for all regulated procurements which fall outwith internal governance procedures – regardless of whether they comply with legislative requirements or not. A log of such will be maintained by the Procurement Team and reported upon annually.

Also, a new requirement whereby Services are to provide an advance annual procurement workplan will not only improve the quality of procurements undertaken through the early identification of opportunities and efficiencies, this will also highlight the need for appropriate governance in areas where procurement is devolved to the services themselves. Thus allowing action to be taken in an appropriate and timely manner.

As part of the new proposed Procurement Standing Orders, increased auditability will be made regarding the award of the Delegated Procurement Authority accreditation. All those with access currently to PCS will have this removed until such time as they can demonstrate they have successfully passed a new set of dedicated e-learning tools. This will not only increase the quality of Angus Council's procurement activity but also provide continuity in the approach taken by Procuring Officers.

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## Section 7 – Community Benefits

**A summary of any community benefit requirements imposed as part of a regulated procurement that were fulfilled during the financial year covered by the report.**

Scotland Excel include the requirement for Community Benefits within all their frameworks. Angus Council's use of these frameworks in 2022/3 can be accredited with £10.6k spent on charity / community initiatives and half an apprentice position was created;

- AM Phillip Trucktech Ltd, on the Vehicle Parts framework, took on a new apprentice at the Muiryfaulds Arts department and 50% of this was attributed to Angus Council spend.
- Hey Girls CIC, on the Washroom Solutions and Sanitary Products framework, donated period products to organisations across Scotland. The value of this within the Angus Council area was £6,340.
- Moore House School Ltd, on the Children's Residential framework, provided a number of services, supplies and goods – for example, two places on the Dyadic Developmental Psychotherapy (DDP) courses to Angus Council Employees (estimated monetary value of £3,650).

As referred to previously, rebates and community benefits are also applicable under frameworks used by Tayside Contracts in the delivery of the services they provide on behalf of Angus Council – namely the soft FM related contracts.

Part of Angus' procurement strategy for the future involves closer management of both entitlements due to Angus via direct framework spend and also such benefits flowing through indirect procurements, i.e., those made on Angus' behalf by our strategic alliances.

Investment is being made to the Procurement function via the creation of a temporary Community Benefits & Sustainability Officer post. This, along with the creation of a set of bespoke Procurement Standing orders to sit alongside the Council's Financial Regulations, will strengthen the Council's drive for both the appropriate drive for community benefits as part of its third-party expenditure but also the harnessing and application of those to which we are entitled. The Education & Enablement workstreams will be a key driver in achieving this.

A new Community Benefits portal, very similar to the Gateway used by the NHS, will also be created – thus supporting the 'matching' of needs within the community with obligations resulting from contract spend. Often the lack of Community Benefits captured is down to suppliers not knowing what they could / should do, as opposed to a lack of willingness. Angus is already experiencing great supplier participation in non-procurement community initiatives such as the Student Placement Scheme and it's important the supply base get recognition for their part in this too.

It should be noted that outwith the compounds of procurement, community benefits are being captured via support from local employers by way of student placements through the Council's Developing the Young Workforce team. This is an area of success we are keen to complement going forward.

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## Section 8 – Inclusion of Supported Businesses within Procurements

**A summary of any steps taken to facilitate the involvement of supported businesses in regulated procurements during the year covered by the report.**

The only 'local' Supported Business to Angus is Dovetail Enterprises in Dundee. Angus' elected members are in regular communication with Dovetail and within Procurement we encourage procuring services, where appropriate, to consider utilising the allowances within the regulations to access such organisations. This must always however be done against the wider backdrop of what 'best value' looks like on a case-by-case basis as part of the initial options appraisal regarding more appropriate route to market.

Via the Education workstream, the introduction of the forthcoming Angus Procurement Standing Orders will highlight & support the viable option of Supported Businesses, via the appropriate framework routes, as part of Procuring Officers options appraisal process.

## Section 9 – Future Regulated Procurements

**A summary of the regulated procurements the authority expects to commence in the next two financial years.**

Once the proposed new Procurement Standing Orders come into force, Angus will be in a more informed position to publish forthcoming procurement activity online and work closely with colleagues in Economic Development on increasing the involvement, where appropriate, of the local supply chain. For now however the following are planned, regulated procurements within Angus Council within the foreseeable future;

- Bathroom Replacement Programme
- Consultancy Opportunities re Applications for External Funding Opportunities
- Arbroath Harbour Maintenance Works
- Community Recovery Service
- Funded Early Learning & Childcare in Angus Opportunities
- Drumachlie Loan Access Improvements
- Reservoir Maintenance
- Social Prescriber / Community Link Worker Service
- Audit Support Services
- Provision of a Sensory Service
- Arbroath Harbour Dredging
- Consultancy re CASI Demand Analysis
- Consultancy re Drone Ports Commercialisation
- Remedial Works to Bridge at Craigendowie
- Provision of a Community Wellbeing Centre
- Housing Aids and Adaptations
- Social Housing – Maintenance & Servicing of Gas Heating Systems
- Procurement of School Minibuses
- Provision of a Speech and Language Therapy Service
- School Transport Conveyance Contract
- Provision of Independent Intermediary Care

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- Outsourced Bulk / Hybrid Mail Solution
- Traffic Signal Maintenance Service
- Horticultural Products
- Social Housing React
- New Affordable Housing – 24 units
- New Affordable Housing – 20 units
- Electrical Testing
- MV & Battery Contract for Sheltered Housing Complexes
- Repainting of Social Housing Portfolio
- Housing Reactive Repairs Contract
- Voids Contract
- Social Housing Roof Replacement Programme
- MVHR maintenance Programme
- Energy Efficiency Programme (follow up to EESH)
- Servicing of Energy Management Systems
- Fire Extinguisher Servicing
- Wet Fire Suppressant Systems
- Replacement of Pool Filter Media
- Automatic Meter Contract – Water
- Automatic Meter Contract – Gas
- Liquid Fuels

### Section 10 – Moving Forward

***Within its annual procurement report, a contracting authority should also include a brief statement detailing the methodology used to review its regulated procurements in relation to the requirements in section 15(5)(a)-(d) of the Act.***

*The procurement strategy must, in particular—*

- (a) set out how the authority intends to ensure that its regulated procurements will—
  - (i) contribute to the carrying out of its functions and the achievement of its purposes,
  - (ii) deliver value for money, and
  - (iii) be carried out in compliance with its duties under section 8,*
- (b) include a statement of the authority’s general policy on—
  - (i) the use of community benefit requirements,
  - (ii) consulting and engaging with those affected by its procurements,
  - (iii) the payment of a living wage to persons involved in producing, providing or constructing the subject matter of regulated procurements,
  - (iv) promoting compliance by contractors and sub-contractors with the Health and Safety at Work etc. Act 1974 (c.37) and any provision made under that Act, and
  - (v) the procurement of fairly and ethically traded goods and services,*
- (c) include a statement of the authority’s general policy on how it intends its approach to regulated procurements involving the provision of food to—
  - (i) improve the health, wellbeing and education of communities in the authority’s area, and
  - (ii) promote the highest standards of animal welfare,*

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*(d) set out how the authority intends to ensure that, so far as reasonably practicable, the following payments are made no later than 30 days after the invoice (or similar claim) relating to the payment is presented—*

- (i) payments due by the authority to a contractor,*
- (ii) payments due by a contractor to a sub-contractor,*
- (iii) payments due by a sub-contractor to a sub-contractor*

Having been through a period of instability, the procurement function is reaching a point of stability from where the team can lay foundations and look to really add value through the three-strand approach previously advised to elected members. Namely;

- 1) Educate – Support the devolved procurement model by ensuring those undertaking third party expenditure activity on behalf of Angus Council are equipped with the appropriate level of knowledge. Thereby reducing duplication, waste, noncompliance and missed opportunities.

The introduction of mandatory, role appropriate, training prior to being granted Delegated Procurement Authority status, and with it access to PCS, will not only improve the quality of procurement activity and instil a level of consistence in approach, but this will also support compliance with regulations. As will the introduction of upfront workplanners, as these will enable appropriate procurement involvement at the correct time and prevent reactionary measures in place of proactive competitive exercises.

- 2) Enable – Provide ongoing tools and knowledge to these delegated procurers to enable them to competently proceed with routine procurements without the resource requirements of the Procurement & Commissioning function itself.

As well as the provision of templates ensuring consistency and quality, this will also address the creation of appropriate policies and procedures within Angus Council regarding matters such as certain ethical practices, prompt payment within the supply chain etc. The new post of Community Benefits & Sustainability Officer, along with the category approach, which the expanded team size will facilitate, will provide a targeted approach to services and service leaders to maximise the value of their procurement activity for Angus.

- 3) Efficiencies – Maximise the team resource freed up as a result of the previous steps and use this to facilitate a data led approach to identification and harnessing of opportunities for efficiencies. This will involve both Angus Council only procurements and those captured under the Tayside Procurement Consortium (TPC) banner. The newly created data post will support the establishment of appropriate data capture systems and dashboards to inform and influence those with delegated procurement power in how to compliantly make best use of their limited budgets. The creation of a comprehensive Contracts Register will go beyond that of meeting stator requirements but will become the critical thread in all procurement activity. Supporting the identification of future opportunities, identifying opportunities for collaboration or greater efficiencies, mandating compliance etc.

The addition of a Data Officer and a Community Benefits & Sustainability Officer to the function will greatly support the above plan. Adopting a data led approach is only going to add value if the data we have is accurate and meaningful, and we have the ability to interpret it appropriately. The Procurement team is actively involved in the redesign of Angus Council's P2P project and this will



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ultimately allow us to shape the information gathered via procurement activities in a way best suited to our requirements. Having a dedicated Data Officer to support the Procurement team will allow those undertaking negotiations with the decision makers within the Services themselves to do so with accurate information, often more so than the Services will have themselves.

Similarly, the appointment of a Community Benefits & Sustainability Officer will support Corporately agreed objectives in relation to non-core, yet highly value adding, aspects of procurement activity. Angus Council typically spends in excess of £150m annually with external parties – As an Authority we need to be harnessing as much additional value from this spend as possible. Whether this be apprenticeship or job creation opportunities, training and development across the third sector or within schools, meaningful commitment to climate agenda linked activities, increased use of the local supply base, etc. This is where the postholder can support the Services, ensure relevant and proportionate continuity of the Council's Corporate agenda in these areas, and undertake the relevant government reporting responsibilities.

In relation to the Commissioning Team within the Function, an SLA between them and the AHSCP is being designed to provide clarity as to roles and responsibilities, with the objective of reducing preventable project collapses and delays – all of this impacting upon available resource and resulting in a missed opportunity cost regarding the identification of opportunities for efficiencies.

There continues to be a high degree of uncertainty surrounding introduction of a National Care Service. If introduced, this would likely have a material impact upon the AHSCP, and as a direct consequence, our Commissioning Team also. The National Care Service (Scotland) Bill was published in June 2022 and a consultation has been undertaken. It is hoped that more detail will shortly be available and we can start to plan accordingly.

Whilst the full consequences of the above, along with the benefits of planned actions, are unlikely to be seen until 2024/25, the actions undertaken and foundations laid during 2023/24 will be fundamental in harnessing maximum potential from these initiatives and changes to our operating environment.

Looking outwardly, unfortunately there continues to be widespread impact across the global supply chains affecting many sectors. This has resulted not only in product shortages and long lead times but also unsustainable price increase, especially in the construction, energy and catering sectors.

Although, the Key Supplier Support Scheme, set up in response to the Covid 19 outbreak and the spiralling cost of legislative compliance within the care sector, was finally closed off. This meant that resources within the Procurement function associated with the management of this process were no longer required.

As referred to throughout this report, the work is in progress to deliver the procurement strategy using the Educate, Enable and Efficiencies workstreams. The creation of two new temporary posts to support with community benefits and data usage will facilitate the shift change to becoming a proactive procurement function. The introduction of a new set of standalone Procurement Standing Orders will support these workstreams and the initiatives contained within, whilst making the procurement landscape easier for non-procurement professionals to navigate. All positive steps for an authority to best manage a devolved procurement model.