

## Appendix 2

### Recommendations for Councils from the Audit Commission report: Procurement of Councils

Recommendations for Councils staff involved in procurement			
Ref	Recommendation	Further WDC Action Required	WDC Approach/Progress
1	Review and formalise arrangements to fund procurement reform activity beyond 2016.	No	WDC structure already supports the Scottish Governments approach to Procurement reform.
2	Submit accurate and complete information to the Procurement Hub on a regular and timely basis (ideally quarterly, and as a minimum within 3 months of the end of the financial year).	No	WDC submit quarterly returns to the Hub and we have been working with Scottish Government to review the accuracy of their final analysis so we are pleased to see a recommendation for the Scottish Government to review and update the Best Practice Indicators (BPI's).
3	Examine the costs and benefits of differentiating ALEO and council expenditure in their Hub submissions	Yes	We will review the options and costs/benefits for this recommendation.
4	Make greater use of the tools and facilities provided by the Hub, including the use of BPI's in performance reporting and to benchmark progress.	No	WDC already uses the tools and facilities in the Hub and provides performance report, benchmarking progress with BPI's.
5	Engage earlier with suppliers and the people who use public services to help develop contract specifications that more accurately reflect service user requirements and allow for greater innovation with contracts.	Yes	This is already identified in the actions contained in the Corporate Procurement Service Plan for 2014-16.
6	Use the Public Contracts Scotland (PCS) tender module for all applicable contracts.	No	WDC is already piloting PCS Tender module and has a meeting with Scottish Procurement on 20 <sup>th</sup> May with a view to supporting them with testing aspects of the system.

Ref	Recommendation	Further WDC Action Required	WDC Approach/Progress
7	Make full use of national collaborative contracts and provide a clear explanation for non-participation in these contracts to the relevant council committee.	Yes	WDC use the existing national collaborative contracts. Where new collaborative contracts are introduced we will report any non-participation to the relevant council committee.
8	Develop a systematic approach to collecting information on non-financial benefits including economic, community and environmental benefits and report the benefits to the relevant council committee on a regular basis.	No	The Corporate Services Committee receives an annual report on procurement and an elected members bulletin is also issued annually which reports on benefits.
9	Calculate procurement savings using a consistent and transparent methodology that demonstrates clearly how the savings are calculated and their relationship to improved procurement.	No	A transparent benefits' tracking process is already in place, linked to the national efficiency statement to Scottish Government.
10	Make better use of market research, cost avoidance and improved contract management to identify savings and potential service improvements.	Yes	This is already identified in the actions contained in the Corporate Procurement Service Plan for 2014-16.
11	Aim to achieve the superior performance level in the PCA, particularly in relation to: <ul style="list-style-type: none"> <li>• Spend covered by agreed commodity/project strategies</li> <li>• Participation in Scotland Excel contracts</li> <li>• Automation of procurement and payment processes</li> <li>• Spend captured in the councils contract register</li> </ul>	Yes	WDCs Strategic Plan 2012-17 has a PI to achieve superior performance in the PCA by 2017 and actions contained in the Corporate Procurement Service Plan for 2014-16 are aimed at achieving the key areas highlighted.

<b>Recommendations for Councils' corporate management teams</b>			
<b>Ref</b>	<b>Recommendation</b>	<b>Further WDC Action Required</b>	<b>WDC Approach/Progress</b>
12	Benchmarking their procurement staffing against similar sized councils with higher PCA scores and, where appropriate, produce a business case for employing additional qualified procurement staff where they have lower staffing levels.	No	Our structure is in place and we have developed a workforce plan is focused on filling gap in national skills shortages and longer term skills development for the team. Our staff to spend ratio is similar to the top performing Councils in the PCA.
13	Examine the benefits of joint working or joint procurement teams as a way of securing economies of scale and creating collaborative contracts	No	With an established team in place, and well developed systems and processes, we review collaborative opportunities on an ongoing process for each tender.
14	Phase out paper purchasing systems and consider the business case for moving all purchasing systems to an electronic 'purchase to pay' basis.	Yes	WDC has already identified 'purchase to pay' as a business transformation project and is progressing with this.
15	<p>Raise staff awareness of accountability and controls by:</p> <ul style="list-style-type: none"> <li>• Implementing a written code of ethics</li> <li>• Requiring staff involved in procurement to complete a register of interest statement</li> <li>• Require internal audit to conduct a regular assessment of procurement risk, including the risk of fraud.</li> </ul>	Yes	<p>We already have a written code of ethics and require all staff involved in tendering to complete a register of interest.</p> <p>We will consider ways of increasing audit activity around prevention of procurement fraud.</p>

Recommendations for Councils			
Ref	Recommendation	Further WDC Action Required	WDC Approach/Progress
16	Require a report on procurement savings and non financial procurement benefits to be submitted to the appropriate committee on a regular basis.	No	The Corporate Services Committee receives an annual report on procurement and an elected members bulletin is also issued annually which reports on benefits.
17	Encourage elected members sitting on the main committee(s) dealing with procurement to complete specific training to help them undertake their governance role more effectively.	No	Procurement Awareness and Community Benefit sessions have been held for elected members.