

# WEST DUNBARTONSHIRE COUNCIL

## Report by the Executive Director of Corporate Services

### Corporate and Efficient Governance Committee – 22<sup>nd</sup> June 2011

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**Subject: Procurement Capability Assessment 2010 – Improvement Plan**

#### **1. Purpose**

- 1.1** The purpose of this report is to seek approval for an Improvement Plan that has been developed in response to the 2010 Procurement Capability Assessment.

#### **2. Background**

- 2.1** As part of the national Procurement Improvement Programme developed by the Scottish Government following the McClelland Review in 2006, all Councils now undergo an annual Procurement Capability Assessment.

- 2.2** Councils are assessed against 69 different areas grouped into eight main categories. The results of the 2010 assessment of West Dunbartonshire Council are as follows:

1. Procurement Leadership and Governance	19%
2. Procurement Strategy and Objectives	13%
3. Defining the Supply Need	13%
4. Commodity / Project Strategies & Collaboration	19%
5. Contract and Supplier Management	7%
6. Key Purchasing Processes and Systems	33%
7. People	14%
8. Performance Management	20%
<b>Overall</b>	<b>17%</b>

- 2.3** West Dunbartonshire is one of 6 Councils in the “Non Conformance” bracket (0-24%). 23 Councils are in the “Conformance” bracket (25-49%) and 3 are in the “Improved Performance” bracket (50–74%)

#### **3. Main Issues**

- 3.1** The 2010 results highlight a need for significant improvement in the Council’s procurement capability and in recognition of this, a comprehensive review of Procurement is currently underway. This has included an analysis of spend across all categories to identify savings opportunities and a review of the operating model to establish a procurement structure that supports the corporate remit in partnership with service teams and has greater visibility over and accountability for procurement activity in the organisation.

- 3.2 A number of different structural options are currently being considered and the new structure will be implemented later this year in line with the Council's Organisational Change Policy.
- 3.3 In the meantime, the attached Improvement Plan assigns a number of actions to the existing Corporate Procurement Team that aim to produce a consistent set of processes and materials for identified procurement personnel and to deliver a more standardised procurement approach across the Council. It is anticipated that achievement of these actions will enable the Council to improve its performance at the next assessment in late November 2011 and move into the "Conformance" bracket.
- 3.4 Where an external review is carried out, it is good practice, as part of the ongoing monitoring and review process for Improvement Plans to be signed off by senior officers and members.

#### **4. People Implications**

- 4.1 No additional resources have been allocated for implementation of this Improvement Plan. Members of the existing Corporate Procurement Team will take the lead in completing these actions along with their other duties.

#### **5. Financial Implications**

- 5.1 There are no financial implications.

#### **6. Risk Analysis**

- 6.1 This Improvement Plan has been prepared to mitigate the risk of continued "Non Conformance" at the next procurement capability assessment. It will be essential to monitor progress in implementing the plan closely and to ensure thorough preparation in advance of the next assessment.

#### **7. Equalities, Health & Human Rights Impact Assessment (EIA)**

- 7.1 No significant issues were identified in a screening for potential equality impact of this policy/service/measure

#### **8. Conclusions and Recommendations**

- 8.1 The new procurement operating model will enable long term, sustainable improvements in the Council's procurement capability. In the short term, the existing Procurement Team will implement the actions identified in the attached Improvement Plan so that Conformance status can be achieved.
- 8.2 It is recommended that Members approve the attached Procurement Capability Assessment Improvement Plan.

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**Appendices:** Appendix 1 – Procurement Capability Assessment  
Improvement Plan 2010/11.

**Background Papers:** “Review of Public Procurement in Scotland” 2006  
John F. McClelland CBE

**Wards Affected:** All