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| <b>Title of report</b>                  | Procurement Update and Performance Report 2018/19                                                                                                                                                                                       |
| <b>Public/confidential</b>              | Public                                                                                                                                                                                                                                  |
| <b>Action</b>                           | For decision                                                                                                                                                                                                                            |
| <b>Date of Publication</b>              | After meeting                                                                                                                                                                                                                           |
| <b>Summary/purpose of report</b>        | To advise members of procurement developments and performance for SSSC in 2018/19.                                                                                                                                                      |
| <b>Recommendations</b>                  | The Resources Committee is asked to: <ol style="list-style-type: none"> <li>1. note and comment on the Annual Procurement Report 2018/19</li> <li>2. agree the annual report is published on external website (section 4.0).</li> </ol> |
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| <b>Responsible Officer</b>              | Gordon Weir<br>Corporate Services Director<br>Tel: 01382 207104                                                                                                                                                                         |
| <b>Link to Strategic Plan</b>           | The information in this report links to:<br>Outcome 4 - Our stakeholders value our work.                                                                                                                                                |
| <b>Link to the Risk Register</b>        | Risk 5:<br>The SSSC does not have sustainable resources to support the delivery of Strategic Plan outcomes (i.e. the strategic planning growth assumptions are not financially sustainable).                                            |
| <b>Equality Impact Assessment (EIA)</b> | 1. An EIA was not developed<br>This report provides an update on procurement performance and how that reflects our achievement of our agreed procurement strategic priorities. The procurement strategy itself is subject to an EIA.    |
| <b>Documents attached</b>               | Appendix 1: SSSC Annual Procurement Report 2018/19                                                                                                                                                                                      |
| <b>Background papers</b>                | None                                                                                                                                                                                                                                    |

## **1. INTRODUCTION/BACKGROUND**

### **Procurement Responsibilities**

- 1.1 The SSSC has a duty to ensure compliance with the Procurement Reform (Scotland) Act 2014 and the Procurement (Scotland) Regulations. The Accountable Officer also has a specific responsibility to ensure compliance with the procurement section of the Scottish Public Finance Manual. This report provides an overview of procurement developments and reports on procurement performance for 2018/19.
- 1.2 The SSSC and Care Inspectorate operate a shared procurement services which includes a shared:
  - procurement strategy
  - action plan
  - guidance
  - procedures
  - administrative and professional support.

## **2. PROCUREMENT SHARED SERVICE FROM SCOTTISH GOVERNMENT**

- 2.1 The Care Inspectorate partners with the Central Government Procurement Shared Service (CGPSS) to benefit from both operational and strategic support in all aspects of procurement to ensure the SSSC and Care Inspectorate maximises value and performance from its third party expenditure, manages risk and remains compliant with changing legislation and policy. This partnership provides benefits to both SSSC and the Care Inspectorate both corporate and cash benefits in further improving our procurement capability. Our CGPSS partner provided support in the following areas in 2018/19:
  - supporting the procurement of storage and archiving services
  - procurement advice on the digital services dynamic purchasing system
  - delivery of training
  - provision of specialist advice
  - supported risk assessment analysis using Brexit Tool for SSSC Contracts to determine level of risk.
- 2.2 The shared service is provided on the basis of a Memorandum of Understanding which was developed by the Central Government Procurement Shared Service Steering Board. The SSSC Director of Corporate Services is the Chair of this Steering Board.

## **3. PROCUREMENT CAPABILITY**

- 3.1 Scottish Government introduced a new assessment regime, the Procurement and Commercial Improvement Programme (PCIP), which replaced what was previously the Procurement Capability Assessment (PCA). The PCIP focuses on the policies and procedures driving procurement performance, and the results they deliver.
- 3.2 The PCIP includes Full, Medium, Lite Assessments and for those bodies with an annual procurement spend of less than £7m, a Healthcheck

- 3.3 The SSSC's first assessment was completed in November 2016 and was a joint assessment with the Care Inspectorate. As our annual procurement spend is below £7m, a Healthcheck was completed. This assessed nine key areas, using a red, amber and green scoring system. The process also focused on areas where further improvement could be made. The SSSC scored green in all nine areas assessed.
- 3.4 The PCIP assessment is scheduled to be completed every two to three years, with the next assessment due to be completed in November 2019.

#### **4. PROCUREMENT PERFORMANCE**

- 4.1 The procurement strategy and annual procurement report are now part of the reporting landscape for organisations that have an estimated regulated procurement spend of £5m or more. Whilst the SSSC does not meet this criterion an annual procurement report will continue to be developed with plans to publish on the SSSC and Care Inspectorate websites as good practice.
- 4.2 The annual report is attached as Appendix 1.

#### **5. RESOURCE IMPLICATIONS**

- 5.1 There are no direct resource implications associated with this procurement update report. This section provides details of the SSSC's procurement performance for the year, and any benefits realised from procurement are incorporated into the 2019/20 budget.

#### **6. LEGAL IMPLICATIONS**

- 6.1 The procurement processes in place are compliant with legal requirements.

#### **7. STAKEHOLDER ENGAGEMENT**

- 7.1 There are no immediate implications arising from this report for stakeholder engagement.

#### **8. IMPACT ON PEOPLE USING SOCIAL SERVICES AND CARERS**

- 8.1 Efficient procurement will help secure Best Value from contracts awarded. This in turn means that the SSSC optimises the use of its resources to maximise the benefits of the SSSC's work to people who experience car

#### **9. CONCLUSION**

- 9.1 This report summarises the developments in procurement over the last financial year. The Annual Procurement Report, appendix 1, highlights that our procurement capability has improved, and that the SSSC has plans in place to support further improvement.