

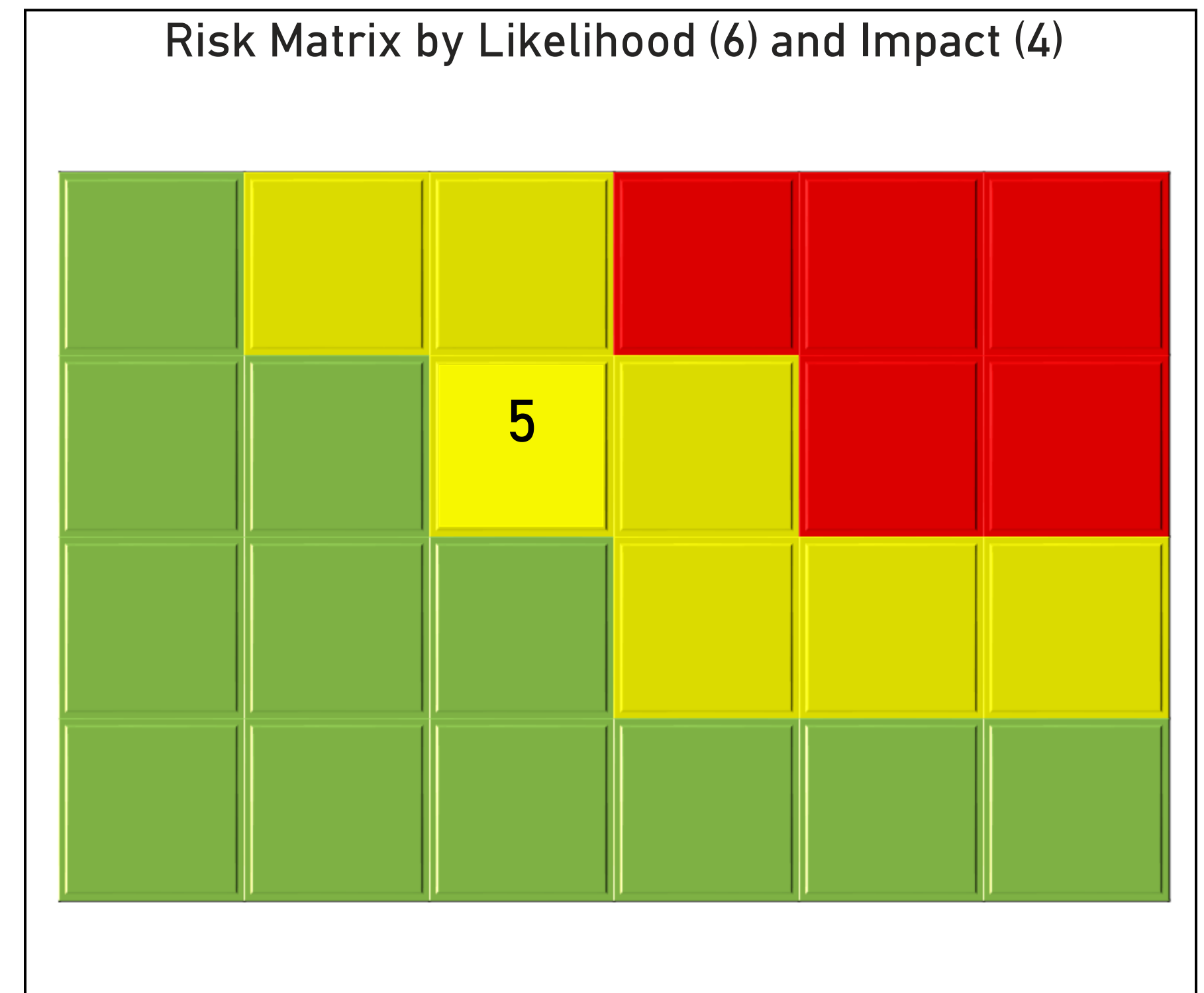


# Commercial & Procurement Services Risk Register

CURRENT CLUSTER RISKS	CURRENT RISK SCORE
Climate Change and severe weather affect the costs and availability of goods and services	9
Procurement Fraud	9
Scotland Excel - Membership does not deliver anticipated benefits	9
Shared Procurement Service Partner Withdrawal	9
Shared Service - Service Level Agreement - Delivery of KPI's	9

Number of Cluster Risks

**5**



FUNCTION	CLUSTER	RISK OWNER	RISK LEAD
Commissioning	Commercial & Procurement	Craig Innes	Melanie McKenzie

RISK TITLE	RISK DESCRIPTION	CONTROL ACTIONS	TARGET RISK SCORE	CURRENT RISK SCORE	CURRENT LIKELIHOOD	CURRENT IMPACT	TARGET COMPLETION DATE
Climate Change and severe weather affect the costs and availability of goods and services	<p>Failure to embed climate change procurement policy, processes and to consider climate risks in the design life of procurements.</p> <p>Production or supply chain disruptions impact critical services</p> <p>Increase in flooding, heavy rainfall, storms, higher temperatures, a rise in sea level and drought cause damage to supplier stock, result in delivery disruptions and cause depletion of resources, affecting the price of products and the availability of goods.</p>	<p>"Integrate climate risk considerations within procurement procedures and ensure that supplier business continuity arrangements templates and processes are updated by 30.09.22</p> <p>Climate Change/Circular Economy weighting has been incorporated into procurement documents, additional training and guidance is to be developed for Delegated Procurers and rolled out by 30.09.22</p> <p>Sustainable Procurement and Community Benefit Policy renewal to take place in 2022, review current considerations within the policy on Climate change to support mitigation of risk by 31.12.22</p> <p>Review Delegated Procurer Training and either adopt SG Climate Literacy Training for DPA's or develop a C&amp;PSS E-Learning Module by 30.09.22</p>	6	9	3	3	31 December 2022

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Procurement Fraud	Public procurement is vulnerable to fraud and corruption because of the level of expenditure, the volume of transactions, the complexity of the process and the number of stakeholders involved, these vulnerabilities can also make public procurement a target for Serious & Organised Crime.	<p>Procurement Fraud impact assessment to be developed and incorporated within Business Case template by 30.06.22</p> <p>Revised procurement guidance to be issued based upon horizon scanning, and incorporating best practice from sources such as Red Flags Public Procurement (Audit Scotland/Police Scotland) by 30.09.22</p> <p>Delegated procurer training to be updated with procurement fraud assessment requirements by 30.09.22</p>	6	9	3	3	29 September 2022

FUNCTION	CLUSTER	RISK OWNER ▲	RISK LEAD
Commissioning	Commercial & Procurement	Craig Innes	Melanie McKenzie

RISK TITLE	RISK DESCRIPTION	CONTROL ACTIONS	TARGET RISK SCORE	CURRENT RISK SCORE ▼	CURRENT LIKELIHOOD	CURRENT IMPACT	TARGET COMPLETION DATE
Scotland Excel - Membership does not deliver anticipated benefits	The ability of Scotalnd Excel to delivery against objectives could potentially be impacted by lack of buy in from member councils/lack of participation/failure to identify and manage new opportunities/3rd & 4th Generation Frameworks don't deliver value/Uncertainty & Price Increases caused by Brexit/Covid	<ul style="list-style-type: none"> <li>•Working with member councils to understand lost opportunities/conduct gap analysis</li> <li>•Continuing focus on added Core Value delivered for all member councils.</li> <li>•On-going development of projects offering new services and increasing benefits to stakeholders.</li> <li>•Identification of new opportunities to provide additional chargeable services based on customer demand.</li> <li>•Ongoing robust market testing in relation to existing FWA's and also of all new shared service propositions.</li> <li>•Ongoing robust business model is in place for all new services (cost to serve, funding/uptake forecasts).</li> <li>•Regular engagement with Chief Execs, Finance Directors, Corporate Procurement Leads and Elected Members demonstrating the value added by Scotland Excel</li> </ul>	6	9	3	3	31 December 2022

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RISK TITLE	RISK DESCRIPTION	CONTROL ACTIONS	TARGET RISK SCORE	CURRENT RISK SCORE ▼	CURRENT LIKELIHOOD	CURRENT IMPACT	TARGET COMPLETION DATE
Shared Procurement Service Partner Withdrawal	<p>Partner to the Shared Service decides to withdraw, which would have potential for impacts below:</p> <ul style="list-style-type: none"> <li>•Potential impact on number of staff required</li> <li>•Employment Claims</li> <li>•Withdrawal Costs</li> <li>•Loss of experienced staff and expertise</li> <li>•Decrease in volume negotiating benefit to remaining councils</li> </ul>	Improvement plan developed outlining any key areas for improvement and actions to implement with key milestones set against each, THC plan agreed and will be monitored at each Strategic Procurement Board meeting.	3	9	3	3	31 December 2022

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RISK TITLE	RISK DESCRIPTION	CONTROL ACTIONS	TARGET RISK SCORE	CURRENT RISK SCORE ▼	CURRENT LIKELIHOOD	CURRENT IMPACT	TARGET COMPLETION DATE
Shared Service - Service Level Agreement - Delivery of KPI's	<p>Risk that Commercial &amp; Procurement Shared Service are unable to deliver against agreed KPI's within Service Level Agreement - due to:</p> <ul style="list-style-type: none"> <li>•Lack of stakeholder engagement</li> <li>•Failure to standardise partner operating procedures, specifications and demand requirements</li> <li>•Ineffective collaboration</li> <li>•Inability to consolidate shared data, lack of and poor quality data.</li> <li>•Ineffective staffing structures and resource allocation</li> <li>•Poor uptake and engagement of service user training courses</li> <li>•Ineffective workforce profile and misalignment across the service</li> <li>•Robust ICT systems and infrastructure</li> </ul>	<p>Shared KPI and reporting arrangements Shared / harmonised data allowing analysis and reporting (incl. Contract Registers)</p> <p>Collaboration agreement signature and joint activity agreed, completion of these anticipated by 31.08.22</p>	6	9	3	3	30 August 2022