

Assurance Map
Cluster – Commercial & Procurement Services

Corporate Risk Register Risks:

- 1. Supply Chain - Commodity Risks –**
 1. Impacts on Supply Chain due to Brexit/Covid in particular market pressure/uncertainty in Food/Construction Materials
 2. UKCA Marking - CE marked products will no longer be accepted in UK from Jan 2023 - the deadline has been extended until this date but still some concerns that the market may not be ready due to required changes in testing regimes (ongoing monitoring required)
 3. Inflation affecting key commodities as a result of Covid/Brexit and market volatility i.e. Oil, Steel, Sugar
 4. Market impacts due to invasion of Ukraine i.e. Energy
 5. Shortages across certain commodities leading to issues in delivery of goods/alternatives having to be investigated and/or sought
- 2. Non-Compliance with Procurement Regulations –**
 1. Contract Management - Risk that Strategic & Critical contracts and associated supplier relationships are not managed effectively, which can have a detrimental impact on the achievement of required outcomes to support commissioning intentions/delivery of LOIP outcomes/achievement of best value.
 2. Non-Compliance with Procurement Regulations: Governance Arrangements are not fully complied with by Delegated Procurers including seeking approval to go out to market, provision of Annual Procurement Workplans and ensuring contracts are recorded on the Contract Register, which could lead to the Council being in breach of Procurement Legislation.
 3. Contract expenditure exceeding approved value with no further approval being sought. Spend on contract is not linked through to budget via Financial Systems e.g. through consistent reference numbers and inclusion of approval details in the Contracts Register, back to a contract and its approval, if contract spend cannot be effectively monitored expenditure could breach thresholds and lead to the Council being in breach of Procurement Legislation.

Cluster Risk Register Risks:

- 1. Climate Change and severe weather affect the costs and availability of goods and services** - Failure to embed climate change procurement policy, processes and to consider climate risks in the design life of procurements.
- 2. 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.
- 3. Scotland Excel Membership does not deliver anticipated benefits** - The ability of Scotland 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
- 4. Shared Procurement Service Partner Withdrawal** - Partner to the Shared Service decides to withdraw.
- 5. Shared Service - Service Level Agreement** - Delivery of KPI's - Risk that Commercial & Procurement Shared Service are unable to deliver against agreed KPI's within Service Level Agreement

First Line of Defence (Do-ers)	Second Line of Defence (Helpers)	Third Line of Defence (Checkers)
<ul style="list-style-type: none"> • Online Staff Training & Development • Operational procedures and guidance including Procurement Manual, Contract Management Guidance and Procurement Regulations 	<ul style="list-style-type: none"> • CMT Boards • Council Committees • Senior Management Team (SMT) undertakes review of Cluster Operational Risk Register • Contract review by Demand Management Board 	<ul style="list-style-type: none"> • Internal Audits on Procurement – <ul style="list-style-type: none"> ◦ Vehicle Replacement Policy and Procurement • Annual External Audit and report • External reports from Scotland Excel including

<ul style="list-style-type: none">• Procedures to implement contract management policies• CPSS Communication Plan – Regular communication with CO's/Service Managers/DPA's with updates/guidance	<ul style="list-style-type: none">• Strategic Procurement Board (Senior management representation from other Shared Service Partners)• Policy documentation including Sustainable Procurement and Community Benefits Policy	<ul style="list-style-type: none">○ Procurement Capability and Improvement Plans (PCIP)• Scottish Government performance review and reports (Annual Procurement Report)
---	--	--