

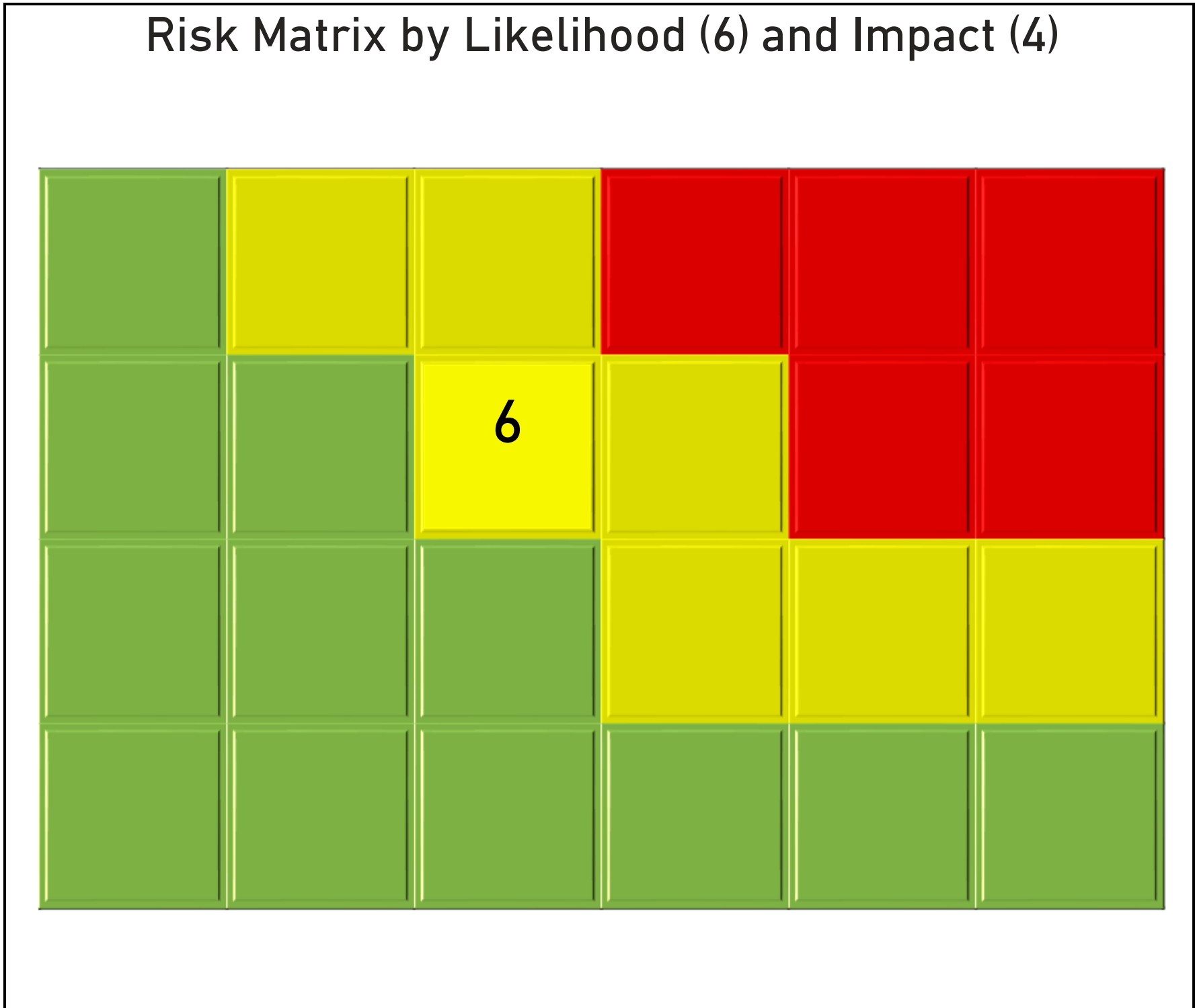


Commercial & Procurement Services Risk Register

CURRENT CLUSTER RISKS	CURRENT RISK SCORE
Climate Change and severe weather affect the costs and availability of goods and services	9
EU-Exit - Supply Chain - Commodity Risks	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

6



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 31.03.22</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 31.03.22</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&PSS E-Learning Module by 31.03.22</p>	6	9	3	3	30 March 2022

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EU-Exit - Supply Chain - Commodity Risks	<p>1. Impacts on Supply Chain due to Brexit in particular market pressure/uncertainty in Food/Construction Materials</p> <p>2. Driver shortages having an impact on deliveries for certain commodities</p> <p>3. 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)</p>	<p>1. Implementation of Control Actions as per below: Agree exceptional contract change request process for Constuction Materials by 30.11.21 Process for identification of alternative products to be reviewed by 30.11.21 and an update provided to the Strategic Procurement Board. Risk level will continue to be monitored and C&PSS will work with relevant service areas on Food/Construction Materials/Waste and review control actions as required.</p> <p>2. Investigate options to alleviate driver shortage issues by 30.11.21 and provide an update to the Strategic Procurement Board.</p> <p>3. Continue to monitor updates on UKCA marking and assess impacts on procurement activity in future but also on existing contracts (new control action for monitoring currently - further controls may be required in future).</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 31.03.22</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 31.03.22</p> <p>Delegated procurer training to be updated with procurement fraud assessment requirements by 31.03.22</p>	6	9	3	3	30 March 2022

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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"> •Working with member councils to understand lost opportunities/conduct gap analysis •Continuing focus on added Core Value delivered for all member councils. •On-going development of projects offering new services and increasing benefits to stakeholders. •Identification of new opportunities to provide additional chargeable services based on customer demand. •Ongoing robust market testing in relation to existing FWA's and also of all new shared service propositions. •Ongoing robust business model is in place for all new services (cost to serve, funding/uptake forecasts). •Regular engagement with Chief Execs, Finance Directors, Corporate Procurement Leads and Elected Members demonstrating the value added by Scotland Excel 	6	9	3	3	31 December 2021

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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"> •Potential impact on number of staff required •Employment Claims •Withdrawal Costs •Loss of experienced staff and expertise •Decrease in volume negotiating benefit to remaining councils 	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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Shared Service - Service Level Agreement - Delivery of KPI's	<p>Risk that Commercial & Procurement Shared Service are unable to deliver against agreed KPI's within Service Level Agreement - due to:</p> <ul style="list-style-type: none"> •Lack of stakeholder engagement •Failure to standardise partner operating procedures, specifications and demand requirements •Ineffective collaboration •Inability to consolidate shared data, lack of and poor quality data. •Ineffective staffing structures and resource allocation •Poor uptake and engagement of service user training courses •Ineffective workforce profile and misalignment across the service •Robust ICT systems and infrastructure 	<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 31.12.21</p>	6	9	3	3	31 December 2021