

Assurance Map
Cluster – Commercial & Procurement Services

Corporate Risk Register Risks:

1. Supply Chain - Commodity Risks

1. Impacts on Supply Chain due to ongoing market impacts/volatility from Brexit/Covid/Invasion of the Ukraine and inflation continuing to affect key commodities such as Utilities, Construction & Construction Materials, Food, Waste, Transport, Fuel, and Manufacturing i.e. Vehicle Purchase

Cluster Risk Register Risks:

1. 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 - 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.

2. 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:

1. Local Supplier Spend (Aberdeenshire)
2. Community Benefits/Fair Work (Highland)
3. Climate Change (3 Councils)

3. Shared Procurement Service Partner Withdrawal - Partner to the Shared Service decides to withdraw.

4. Scotland Excel - Membership does not deliver anticipated benefits - The ability of Scotland Excel to deliver against their objectives in relation to Financial Savings/Delivery of Community Benefits & Sustainable Procurement on behalf of the Shared Service Partner Authorities

5. Climate Change and severe weather affect the costs and availability of goods and services.

1. Failure to embed climate change procurement policy, processes and to consider climate risks in the design life of procurements.
2. Production or supply chain disruptions impact critical services
3. Increase in flooding, heavy rainfall, storms, higher temperatures, a rise in sea level and drought cause damage to supplier's stock, result in delivery disruptions and cause depletion of resources, affecting the price of products and the availability of goods.

6. 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.

First Line of Defence
(Do-ers)

Second Line of Defence
(Helpers)

Third Line of Defence
(Checkers)

- Online Staff Training & Development
- Operational procedures and guidance including Procurement Manual, Contract Management Guidance and Procurement Regulations
- Procedures to implement contract management policies
- CPSS Communication Plan – Regular communication with CO's/Service Managers/DPA's with updates/guidance
- Procurement Fraud Risk Assessment
- Price Increase Review Process/Tracker
- Inflation Monitoring/Tracker
- Scotland Excel Supply Chain Reports (Quarterly)

- CMT Boards
- Council Committees
- Senior Management Team (SMT) undertakes review of Cluster Operational Risk Register
- Procurement/Contract review by Demand Management Board
- Strategic Procurement Board (Senior management representation from other Shared Service Partners)
- Joint Procurement Strategy 2023-2026
- Policy documentation including Sustainable Procurement and Community Benefits Policy

- Internal Audits on Procurement
 - Contract Management – 21/04/23
 - Procurement Compliance (End 2023/Early 2024)
- Annual External Audit and report
- External reports from Scotland Excel including
 - Procurement Capability and Improvement Plans (PCIP)
- Scottish Government performance review and reports (Annual Procurement Report)